



Reprinted
March 4, 2014

ENGROSSED HOUSE BILL No. 1266

DIGEST OF HB 1266 (Updated March 3, 2014 5:56 pm - DI 73)

Citations Affected: IC 4-4; IC 4-33; IC 5-3; IC 5-22; IC 5-28; IC 6-1.1; IC 6-3; IC 6-3.1; IC 6-3.5; IC 6-6; IC 8-24; IC 12-8; IC 21-12; IC 27-6; IC 27-8; IC 34-55; IC 35-51; IC 36-4; IC 36-5; IC 36-7; IC 36-8; noncode.

Synopsis: State and local tax issues. Provides that public utility property tax returns shall be filed in the manner prescribed by the department of local government finance (DLGF). Allows a railroad car company to file its return by July 1 (rather than May 1). Authorizes a public utility company to file an amended return. Provides that the penalty assessed on a public utility company for filing a late return may not exceed \$1,000. Provides that if the DLGF assesses the property of a public utility company because the public utility company does not file a return, the public utility company may file a return with the DLGF and the DLGF may amend its assessment. Provides that if, after an assessment date, an exempt property is transferred or its use is
(Continued next page)

Effective: Upon passage; July 1, 2014.

Leonard

(SENATE SPONSORS — HERSHMAN, HOLDMAN, BRODEN)

January 14, 2014, read first time and referred to Committee on Ways and Means.
January 28, 2014, amended, reported — Do Pass.
January 30, 2014, read second time, amended, ordered engrossed.
January 31, 2014, engrossed.
February 3, 2014, read third time, passed. Yeas 82, nays 12.

SENATE ACTION

February 10, 2014, read first time and referred to Committee on Tax and Fiscal Policy.
February 25, 2014, amended, reported favorably — Do Pass.
March 3, 2014, read second time, amended, ordered engrossed.

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Digest Continued

changed resulting in its ineligibility for an exemption, the county assessor shall terminate the exemption for that assessment date. Specifies that if the property remains eligible for an exemption following the transfer or change in use, the exemption shall be left in place for that assessment date. Provides that for the following assessment date, the person that obtained the exemption or the current owner of the property shall file an application with the county assessor. Requires applications for certain property tax deductions to be completed and dated in the calendar year for which the taxpayer wishes to obtain the deduction and to be filed with the county auditor on or before January 5 of the immediately succeeding calendar year. Provides that a petition to correct error must be filed within three years after the taxes were first due. Requires a political subdivision to submit to the DLGF information concerning the adoption of budgets and tax levies using the DLGF's computer gateway. Requires the DLGF to make this information available to taxpayers through its computer gateway and provide a telephone number through which taxpayers may request copies of a political subdivision's information. Specifies that for taxes due and payable in 2015 and 2016, each county shall publish a notice stating the Internet address at which the budget information is available and the telephone number through which taxpayers may request copies of a political subdivision's budget information. Allows counties to seek reimbursement from the political subdivisions in the county for the cost of the notice. Provides that publication requirements in current law continue through 2015 (along with the new requirements added in the bill concerning submission of budget and levy information to the DLGF's computer gateway). Provides that if a political subdivision timely submits the budget information to the DLGF's computer gateway but subsequently discovers the information contains a typographical error, the political subdivision may request permission from the DLGF to submit amended information. Specifies the conditions under which the DLGF shall increase a political subdivision's tax levy to an amount that exceeds the amount originally advertised or adopted by the political subdivision. Provides that if the DLGF increases a tax levy under this provision, the DLGF shall reduce the levy for each fund affected below the maximum allowable levy by the lesser of: (1) 5% of the difference between the advertised or adopted levy and the increased levy; or (2) \$100,000. Allows DeKalb County and the town of Middlebury, the town of Lewisville, and the town of Mooreland to borrow money to offset levy reductions made by the department of local government finance because budget and property tax levy information were not properly advertised. Eliminates the provision added in 2013 that specifies that the exemption from the property tax levy limits for property taxes to pay debt does not apply to property taxes imposed by a township to repay money borrowed under the emergency loan provisions. Specifies that the balance maintained by the provider unit of a fire protection territory may not exceed 120% of the budgeted expenses of the territory. Provides that certain income tax credits (which were reviewed by the commission on state tax and financing policy in 2012 and 2013) expire on January 1, 2022.

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March 4, 2014

Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1266

A BILL FOR AN ACT to amend the Indiana Code concerning
taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-4-28-5, AS AMENDED BY P.L.150-2007,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2014]: Sec. 5. As used in this chapter, "individual
4 development account" means an account in a financial institution
5 administered by a community development corporation that allows a
6 qualifying individual to deposit money:
7 (1) to be matched by the state, financial institutions, corporations,
8 and other entities; and
9 (2) that will be used by the qualifying individual for one (1) or
10 more of the following:
11 (A) To pay for costs (including tuition, laboratory costs, books,
12 computer costs, and other costs associated with attendance) at
13 an accredited postsecondary educational institution or a
14 vocational school that is not a postsecondary educational

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- 1 institution, for the individual or for a dependent of the
 2 individual.
- 3 (B) To pay for the costs (including tuition, laboratory costs,
 4 books, computer costs, and other costs) associated with an
 5 accredited or a licensed training program that may lead to
 6 employment for the individual or for a dependent of the
 7 individual.
- 8 (C) To purchase a primary residence for the individual or for
 9 a dependent of the individual or to reduce the principal amount
 10 owed on a primary residence that was purchased by the
 11 individual or a dependent of the individual with money from
 12 an individual development account.
- 13 (D) To pay for the rehabilitation (as defined in IC 6-3.1-11-11,
 14 **before its expiration January 1, 2022**) of the individual's
 15 primary residence.
- 16 (E) To begin or to purchase part or all of a business or to
 17 expand an existing small business.
- 18 SECTION 2. IC 4-4-28-13 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) Each
 20 community development corporation shall establish an individual
 21 development account fund to provide money to be used to finance
 22 additional accounts to be administered by the community development
 23 corporation under this chapter and to help pay for the community
 24 development corporation's expenses related to the administration of
 25 accounts.
- 26 (b) Each community development corporation shall encourage
 27 individuals, financial institutions, corporations, and other entities to
 28 contribute to the fund. A contributor to the fund may qualify for a tax
 29 credit as provided under IC 6-3.1-18 (**before its expiration January**
 30 **1, 2022**).
- 31 (c) Each community development corporation may use up to twenty
 32 percent (20%) of the first one hundred thousand dollars (\$100,000)
 33 deposited each calendar year in the fund under subsection (b) to help
 34 pay for the community development corporation's expenses related to
 35 the administration of accounts established under this chapter. All
 36 deposits in the fund under subsection (b) of more than one hundred
 37 thousand dollars (\$100,000) during each calendar year may be used
 38 only to fund accounts administered by the community development
 39 corporation under this chapter.
- 40 (d) A community development corporation may allow an individual
 41 to establish a new account as adequate funding becomes available.
- 42 (e) Only money from the fund may be used to make the deposit



1 described in subsection (f) into an account established under this
2 section.

3 (f) The community development corporation shall annually deposit
4 at least three dollars (\$3) into each account for each one dollar (\$1) an
5 individual has deposited into the individual's account as of June 30.

6 (g) A community development corporation may not allow a
7 qualifying individual to establish an account if the community
8 development corporation does not have adequate funds to deposit into
9 the account under subsection (f).

10 SECTION 3. IC 4-4-28-16, AS AMENDED BY P.L.150-2007,
11 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2014]: Sec. 16. (a) Money withdrawn from an individual's
13 account is not subject to taxation under IC 6-3-1 through IC 6-3-7 if the
14 money is used for at least one (1) of the following:

15 (1) To pay for costs (including tuition, laboratory costs, books,
16 computer costs, and other costs) at an accredited postsecondary
17 educational institution or a vocational school that is not a
18 postsecondary educational institution for the individual or for a
19 dependent of the individual.

20 (2) To pay for the costs (including tuition, laboratory costs, books,
21 computer costs, and other costs) associated with an accredited or
22 a licensed training program that may lead to employment for the
23 individual or for a dependent of the individual.

24 (3) To purchase a primary residence for the individual or for a
25 dependent of the individual or to reduce the principal amount
26 owed on a primary residence that was purchased by the individual
27 or a dependent of the individual with money from an individual
28 development account.

29 (4) To pay for the rehabilitation (as defined in IC 6-3.1-11-11,
30 **before its expiration January 1, 2022**) of the individual's
31 primary residence.

32 (5) To begin or to purchase part or all of a business or to expand
33 an existing small business.

34 (b) At the time of requesting authorization under section 15 of this
35 chapter to withdraw money from an individual's account under
36 subsection (a)(5), the individual must provide the community
37 development corporation with a business plan that:

38 (1) is approved by:

39 (A) a financial institution; or

40 (B) a nonprofit loan fund that has demonstrated fiduciary
41 stability;

42 (2) includes a description of services or goods to be sold, a



1 marketing plan, and projected financial statements; and

2 (3) may require the individual to obtain the assistance of an
3 experienced business advisor.

4 SECTION 4. IC 4-33-12-6, AS AMENDED BY SEA 24-2014, IS
5 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:
6 Sec. 6. (a) The department shall place in the state general fund the tax
7 revenue collected under this chapter.

8 (b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7
9 **(before its expiration January 1, 2022)**, the treasurer of state shall
10 quarterly pay the following amounts:

11 (1) Except as provided in subsection (k), one dollar (\$1) of the
12 admissions tax collected by the licensed owner for each person
13 embarking on a gambling excursion during the quarter or
14 admitted to a riverboat that has implemented flexible scheduling
15 under IC 4-33-6-21 during the quarter shall be paid to:

16 (A) the city in which the riverboat is docked, if the city:

17 (i) is located in a county having a population of more than
18 one hundred eleven thousand (111,000) but less than one
19 hundred fifteen thousand (115,000); or

20 (ii) is contiguous to the Ohio River and is the largest city in
21 the county; and

22 (B) the county in which the riverboat is docked, if the
23 riverboat is not docked in a city described in clause (A).

24 (2) Except as provided in subsection (k), one dollar (\$1) of the
25 admissions tax collected by the licensed owner for each person:

26 (A) embarking on a gambling excursion during the quarter; or

27 (B) admitted to a riverboat during the quarter that has
28 implemented flexible scheduling under IC 4-33-6-21;

29 shall be paid to the county in which the riverboat is docked. In the
30 case of a county described in subdivision (1)(B), this one dollar
31 (\$1) is in addition to the one dollar (\$1) received under
32 subdivision (1)(B).

33 (3) Except as provided in subsection (k), ten cents (\$0.10) of the
34 admissions tax collected by the licensed owner for each person:

35 (A) embarking on a gambling excursion during the quarter; or

36 (B) admitted to a riverboat during the quarter that has
37 implemented flexible scheduling under IC 4-33-6-21;

38 shall be paid to the county convention and visitors bureau or
39 promotion fund for the county in which the riverboat is docked.

40 (4) Except as provided in subsection (k), fifteen cents (\$0.15) of
41 the admissions tax collected by the licensed owner for each
42 person:



- 1 (A) embarking on a gambling excursion during the quarter; or
 2 (B) admitted to a riverboat during a quarter that has
 3 implemented flexible scheduling under IC 4-33-6-21;
 4 shall be paid to the state fair commission, for use in any activity
 5 that the commission is authorized to carry out under IC 15-13-3.
 6 (5) Except as provided in subsection (k), ten cents (\$0.10) of the
 7 admissions tax collected by the licensed owner for each person:
 8 (A) embarking on a gambling excursion during the quarter; or
 9 (B) admitted to a riverboat during the quarter that has
 10 implemented flexible scheduling under IC 4-33-6-21;
 11 shall be paid to the division of mental health and addiction. The
 12 division shall allocate at least twenty-five percent (25%) of the
 13 funds derived from the admissions tax to the prevention and
 14 treatment of compulsive gambling.
 15 (6) Except as provided in subsection (k), sixty-five cents (\$0.65)
 16 of the admissions tax collected by the licensed owner for each
 17 person embarking on a gambling excursion during the quarter or
 18 admitted to a riverboat during the quarter that has implemented
 19 flexible scheduling under IC 4-33-6-21 shall be paid to the state
 20 general fund.
 21 (c) With respect to tax revenue collected from a riverboat located in
 22 a historic hotel district, the treasurer of state shall quarterly pay the
 23 following:
 24 (1) With respect to admissions taxes collected for a person
 25 admitted to the riverboat before July 1, 2010, the following
 26 amounts:
 27 (A) Twenty-two percent (22%) of the admissions tax collected
 28 during the quarter shall be paid to the county treasurer of the
 29 county in which the riverboat is located. The county treasurer
 30 shall distribute the money received under this clause as
 31 follows:
 32 (i) Twenty-two and seventy-five hundredths percent
 33 (22.75%) shall be quarterly distributed to the county
 34 treasurer of a county having a population of more than forty
 35 thousand (40,000) but less than forty-two thousand (42,000)
 36 for appropriation by the county fiscal body after receiving a
 37 recommendation from the county executive. The county
 38 fiscal body for the receiving county shall provide for the
 39 distribution of the money received under this item to one (1)
 40 or more taxing units (as defined in IC 6-1.1-1-21) in the
 41 county under a formula established by the county fiscal body
 42 after receiving a recommendation from the county executive.



- 1 (ii) Twenty-two and seventy-five hundredths percent
 2 (22.75%) shall be quarterly distributed to the county
 3 treasurer of a county having a population of more than ten
 4 thousand seven hundred (10,700) but less than twelve
 5 thousand (12,000) for appropriation by the county fiscal
 6 body. The county fiscal body for the receiving county shall
 7 provide for the distribution of the money received under this
 8 item to one (1) or more taxing units (as defined in
 9 IC 6-1.1-1-21) in the county under a formula established by
 10 the county fiscal body after receiving a recommendation
 11 from the county executive.
- 12 (iii) Fifty-four and five-tenths percent (54.5%) shall be
 13 retained by the county where the riverboat is located for
 14 appropriation by the county fiscal body after receiving a
 15 recommendation from the county executive.
- 16 (B) Five percent (5%) of the admissions tax collected during
 17 the quarter shall be paid to a town having a population of more
 18 than two thousand (2,000) but less than three thousand five
 19 hundred (3,500) located in a county having a population of
 20 more than nineteen thousand five hundred (19,500) but less
 21 than twenty thousand (20,000). At least twenty percent (20%)
 22 of the taxes received by a town under this clause must be
 23 transferred to the school corporation in which the town is
 24 located.
- 25 (C) Five percent (5%) of the admissions tax collected during
 26 the quarter shall be paid to a town having a population of more
 27 than three thousand five hundred (3,500) located in a county
 28 having a population of more than nineteen thousand five
 29 hundred (19,500) but less than twenty thousand (20,000). At
 30 least twenty percent (20%) of the taxes received by a town
 31 under this clause must be transferred to the school corporation
 32 in which the town is located.
- 33 (D) Twenty percent (20%) of the admissions tax collected
 34 during the quarter shall be paid in equal amounts to each town
 35 that:
- 36 (i) is located in the county in which the riverboat is located;
 37 and
 38 (ii) contains a historic hotel.
- 39 At least twenty percent (20%) of the taxes received by a town
 40 under this clause must be transferred to the school corporation
 41 in which the town is located.
- 42 (E) Ten percent (10%) of the admissions tax collected during



- 1 the quarter shall be paid to the Orange County development
 2 commission established under IC 36-7-11.5. At least one-third
 3 (1/3) of the taxes paid to the Orange County development
 4 commission under this clause must be transferred to the
 5 Orange County convention and visitors bureau.
- 6 (F) Thirteen percent (13%) of the admissions tax collected
 7 during the quarter shall be paid to the West Baden Springs
 8 historic hotel preservation and maintenance fund established
 9 by IC 36-7-11.5-11(b).
- 10 (G) Twenty-five percent (25%) of the admissions tax collected
 11 during the quarter shall be paid to the Indiana economic
 12 development corporation to be used by the corporation for the
 13 development and implementation of a regional economic
 14 development strategy to assist the residents of the county in
 15 which the riverboat is located and residents of contiguous
 16 counties in improving their quality of life and to help promote
 17 successful and sustainable communities. The regional
 18 economic development strategy must include goals concerning
 19 the following issues:
- 20 (i) Job creation and retention.
 - 21 (ii) Infrastructure, including water, wastewater, and storm
 22 water infrastructure needs.
 - 23 (iii) Housing.
 - 24 (iv) Workforce training.
 - 25 (v) Health care.
 - 26 (vi) Local planning.
 - 27 (vii) Land use.
 - 28 (viii) Assistance to regional economic development groups.
 - 29 (ix) Other regional development issues as determined by the
 30 Indiana economic development corporation.
- 31 (2) With respect to admissions taxes collected for a person
 32 admitted to the riverboat after June 30, 2010, the following
 33 amounts:
- 34 (A) Twenty-nine and thirty-three hundredths percent (29.33%)
 35 to the county treasurer of Orange County. The county treasurer
 36 shall distribute the money received under this clause as
 37 follows:
 - 38 (i) Twenty-two and seventy-five hundredths percent
 39 (22.75%) to the county treasurer of Dubois County for
 40 distribution in the manner described in subdivision
 41 (1)(A)(i).
 - 42 (ii) Twenty-two and seventy-five hundredths percent



- 1 (22.75%) to the county treasurer of Crawford County for
 2 distribution in the manner described in subdivision
 3 (1)(A)(ii).
 4 (iii) Fifty-four and five-tenths percent (54.5%) to be retained
 5 by the county treasurer of Orange County for appropriation
 6 by the county fiscal body after receiving a recommendation
 7 from the county executive.
- 8 (B) Six and sixty-seven hundredths percent (6.67%) to the
 9 fiscal officer of the town of Orleans. At least twenty percent
 10 (20%) of the taxes received by the town under this clause must
 11 be transferred to Orleans Community Schools.
- 12 (C) Six and sixty-seven hundredths percent (6.67%) to the
 13 fiscal officer of the town of Paoli. At least twenty percent
 14 (20%) of the taxes received by the town under this clause must
 15 be transferred to the Paoli Community School Corporation.
- 16 (D) Twenty-six and sixty-seven hundredths percent (26.67%)
 17 to be paid in equal amounts to the fiscal officers of the towns
 18 of French Lick and West Baden Springs. At least twenty
 19 percent (20%) of the taxes received by a town under this
 20 clause must be transferred to the Springs Valley Community
 21 School Corporation.
- 22 (E) Thirty and sixty-six hundredths percent (30.66%) to the
 23 Indiana economic development corporation to be used in the
 24 manner described in subdivision (1)(G).
- 25 (d) With respect to tax revenue collected from a riverboat that
 26 operates from a county having a population of more than four hundred
 27 thousand (400,000) but less than seven hundred thousand (700,000),
 28 the treasurer of state shall quarterly pay the following amounts:
- 29 (1) Except as provided in subsection (k), one dollar (\$1) of the
 30 admissions tax collected by the licensed owner for each person:
 31 (A) embarking on a gambling excursion during the quarter; or
 32 (B) admitted to a riverboat during the quarter that has
 33 implemented flexible scheduling under IC 4-33-6-21;
 34 shall be paid to the city in which the riverboat is docked.
- 35 (2) Except as provided in subsection (k), one dollar (\$1) of the
 36 admissions tax collected by the licensed owner for each person:
 37 (A) embarking on a gambling excursion during the quarter; or
 38 (B) admitted to a riverboat during the quarter that has
 39 implemented flexible scheduling under IC 4-33-6-21;
 40 shall be paid to the county in which the riverboat is docked.
- 41 (3) Except as provided in subsection (k), nine cents (\$0.09) of the
 42 admissions tax collected by the licensed owner for each person:



- 1 (A) embarking on a gambling excursion during the quarter; or
 2 (B) admitted to a riverboat during the quarter that has
 3 implemented flexible scheduling under IC 4-33-6-21;
 4 shall be paid to the county convention and visitors bureau or
 5 promotion fund for the county in which the riverboat is docked.
 6 (4) Except as provided in subsection (k), one cent (\$0.01) of the
 7 admissions tax collected by the licensed owner for each person:
 8 (A) embarking on a gambling excursion during the quarter; or
 9 (B) admitted to a riverboat during the quarter that has
 10 implemented flexible scheduling under IC 4-33-6-21;
 11 shall be paid to the northwest Indiana law enforcement training
 12 center.
 13 (5) Except as provided in subsection (k), fifteen cents (\$0.15) of
 14 the admissions tax collected by the licensed owner for each
 15 person:
 16 (A) embarking on a gambling excursion during the quarter; or
 17 (B) admitted to a riverboat during a quarter that has
 18 implemented flexible scheduling under IC 4-33-6-21;
 19 shall be paid to the state fair commission for use in any activity
 20 that the commission is authorized to carry out under IC 15-13-3.
 21 (6) Except as provided in subsection (k), ten cents (\$0.10) of the
 22 admissions tax collected by the licensed owner for each person:
 23 (A) embarking on a gambling excursion during the quarter; or
 24 (B) admitted to a riverboat during the quarter that has
 25 implemented flexible scheduling under IC 4-33-6-21;
 26 shall be paid to the division of mental health and addiction. The
 27 division shall allocate at least twenty-five percent (25%) of the
 28 funds derived from the admissions tax to the prevention and
 29 treatment of compulsive gambling.
 30 (7) Except as provided in subsection (k), sixty-five cents (\$0.65)
 31 of the admissions tax collected by the licensed owner for each
 32 person embarking on a gambling excursion during the quarter or
 33 admitted to a riverboat during the quarter that has implemented
 34 flexible scheduling under IC 4-33-6-21 shall be paid to the state
 35 general fund.
 36 (e) Money paid to a unit of local government under subsection (b),
 37 (c), or (d):
 38 (1) must be paid to the fiscal officer of the unit and may be
 39 deposited in the unit's general fund or riverboat fund established
 40 under IC 36-1-8-9, or both;
 41 (2) may not be used to reduce the unit's maximum levy under
 42 IC 6-1.1-18.5 but may be used at the discretion of the unit to



- 1 reduce the property tax levy of the unit for a particular year;
 2 (3) may be used for any legal or corporate purpose of the unit,
 3 including the pledge of money to bonds, leases, or other
 4 obligations under IC 5-1-14-4; and
 5 (4) is considered miscellaneous revenue.
 6 (f) Money paid by the treasurer of state under subsection (b)(3) or
 7 (d)(3) shall be:
 8 (1) deposited in:
 9 (A) the county convention and visitor promotion fund; or
 10 (B) the county's general fund if the county does not have a
 11 convention and visitor promotion fund; and
 12 (2) used only for the tourism promotion, advertising, and
 13 economic development activities of the county and community.
 14 (g) Money received by the division of mental health and addiction
 15 under subsections (b)(5) and (d)(6):
 16 (1) is annually appropriated to the division of mental health and
 17 addiction;
 18 (2) shall be distributed to the division of mental health and
 19 addiction at times during each state fiscal year determined by the
 20 budget agency; and
 21 (3) shall be used by the division of mental health and addiction
 22 for programs and facilities for the prevention and treatment of
 23 addictions to drugs, alcohol, and compulsive gambling, including
 24 the creation and maintenance of a toll free telephone line to
 25 provide the public with information about these addictions. The
 26 division shall allocate at least twenty-five percent (25%) of the
 27 money received to the prevention and treatment of compulsive
 28 gambling.
 29 (h) This subsection applies to the following:
 30 (1) Each entity receiving money under subsection (b)(1) through
 31 (b)(5).
 32 (2) Each entity receiving money under subsection (d)(1) through
 33 (d)(2).
 34 (3) Each entity receiving money under subsection (d)(5) through
 35 (d)(6).
 36 The treasurer of state shall determine the total amount of money paid
 37 by the treasurer of state to an entity subject to this subsection during
 38 the state fiscal year 2002. The amount determined under this subsection
 39 is the base year revenue for each entity subject to this subsection. The
 40 treasurer of state shall certify the base year revenue determined under
 41 this subsection to each entity subject to this subsection.
 42 (i) This subsection applies to an entity receiving money under



1 subsection (d)(3) or (d)(4). The treasurer of state shall determine the
 2 total amount of money paid by the treasurer of state to the entity
 3 described in subsection (d)(3) during state fiscal year 2002. The
 4 amount determined under this subsection multiplied by nine-tenths
 5 (0.9) is the base year revenue for the entity described in subsection
 6 (d)(3). The amount determined under this subsection multiplied by
 7 one-tenth (0.1) is the base year revenue for the entity described in
 8 subsection (d)(4). The treasurer of state shall certify the base year
 9 revenue determined under this subsection to each entity subject to this
 10 subsection.

11 (j) This subsection does not apply to an entity receiving money
 12 under subsection (c). The total amount of money distributed to an entity
 13 under this section during a state fiscal year may not exceed the entity's
 14 base year revenue as determined under subsection (h) or (i). If the
 15 treasurer of state determines that the total amount of money distributed
 16 to an entity under this section during a state fiscal year is less than the
 17 entity's base year revenue, the treasurer of state shall make a
 18 supplemental distribution to the entity under IC 4-33-13-5.

19 (k) This subsection does not apply to an entity receiving money
 20 under subsection (c). The treasurer of state shall pay that part of the
 21 riverboat admissions taxes that:

- 22 (1) exceeds a particular entity's base year revenue; and
 - 23 (2) would otherwise be due to the entity under this section;
- 24 to the state general fund instead of to the entity.

25 SECTION 5. IC 4-33-13-5, AS AMENDED BY SEA 24-2014, IS
 26 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:
 27 Sec. 5. (a) This subsection does not apply to tax revenue remitted by an
 28 operating agent operating a riverboat in a historic hotel district. After
 29 funds are appropriated under section 4 of this chapter, each month the
 30 treasurer of state shall distribute the tax revenue deposited in the state
 31 gaming fund under this chapter to the following:

32 (1) The first thirty-three million dollars (\$33,000,000) of tax
 33 revenues collected under this chapter shall be set aside for
 34 revenue sharing under subsection (e).

35 (2) Subject to subsection (c), twenty-five percent (25%) of the
 36 remaining tax revenue remitted by each licensed owner shall be
 37 paid:

38 (A) to the city that is designated as the home dock of the
 39 riverboat from which the tax revenue was collected, in the case
 40 of:

- 41 (i) a city described in IC 4-33-12-6(b)(1)(A); or
- 42 (ii) a city located in a county having a population of more



- 1 than four hundred thousand (400,000) but less than seven
- 2 hundred thousand (700,000); or
- 3 (B) to the county that is designated as the home dock of the
- 4 riverboat from which the tax revenue was collected, in the case
- 5 of a riverboat whose home dock is not in a city described in
- 6 clause (A).
- 7 (3) Subject to subsection (d), the remainder of the tax revenue
- 8 remitted by each licensed owner shall be paid to the state general
- 9 fund. In each state fiscal year, the treasurer of state shall make the
- 10 transfer required by this subdivision not later than the last
- 11 business day of the month in which the tax revenue is remitted to
- 12 the state for deposit in the state gaming fund. However, if tax
- 13 revenue is received by the state on the last business day in a
- 14 month, the treasurer of state may transfer the tax revenue to the
- 15 state general fund in the immediately following month.
- 16 (b) This subsection applies only to tax revenue remitted by an
- 17 operating agent operating a riverboat in a historic hotel district. After
- 18 funds are appropriated under section 4 of this chapter, each month the
- 19 treasurer of state shall distribute the tax revenue remitted by the
- 20 operating agent under this chapter as follows:
- 21 (1) Thirty-seven and one-half percent (37.5%) shall be paid to the
- 22 state general fund.
- 23 (2) Nineteen percent (19%) shall be paid to the West Baden
- 24 Springs historic hotel preservation and maintenance fund
- 25 established by IC 36-7-11.5-11(b). However, at any time the
- 26 balance in that fund exceeds twenty million dollars
- 27 (\$20,000,000), the amount described in this subdivision shall be
- 28 paid to the state general fund.
- 29 (3) Eight percent (8%) shall be paid to the Orange County
- 30 development commission established under IC 36-7-11.5.
- 31 (4) Sixteen percent (16%) shall be paid in equal amounts to each
- 32 town that is located in the county in which the riverboat is located
- 33 and contains a historic hotel. The following apply to taxes
- 34 received by a town under this subdivision:
- 35 (A) At least twenty-five percent (25%) of the taxes must be
- 36 transferred to the school corporation in which the town is
- 37 located.
- 38 (B) At least twelve and five-tenths percent (12.5%) of the
- 39 taxes imposed on adjusted gross receipts received after June
- 40 30, 2010, must be transferred to the Orange County
- 41 development commission established by IC 36-7-11.5-3.5.
- 42 (5) Nine percent (9%) shall be paid to the county treasurer of the



1 county in which the riverboat is located. The county treasurer
 2 shall distribute the money received under this subdivision as
 3 follows:

4 (A) Twenty-two and twenty-five hundredths percent (22.25%)
 5 shall be quarterly distributed to the county treasurer of a
 6 county having a population of more than forty thousand
 7 (40,000) but less than forty-two thousand (42,000) for
 8 appropriation by the county fiscal body after receiving a
 9 recommendation from the county executive. The county fiscal
 10 body for the receiving county shall provide for the distribution
 11 of the money received under this clause to one (1) or more
 12 taxing units (as defined in IC 6-1.1-1-21) in the county under
 13 a formula established by the county fiscal body after receiving
 14 a recommendation from the county executive.

15 (B) Twenty-two and twenty-five hundredths percent (22.25%)
 16 shall be quarterly distributed to the county treasurer of a
 17 county having a population of more than ten thousand seven
 18 hundred (10,700) but less than twelve thousand (12,000) for
 19 appropriation by the county fiscal body after receiving a
 20 recommendation from the county executive. The county fiscal
 21 body for the receiving county shall provide for the distribution
 22 of the money received under this clause to one (1) or more
 23 taxing units (as defined in IC 6-1.1-1-21) in the county under
 24 a formula established by the county fiscal body after receiving
 25 a recommendation from the county executive.

26 (C) Fifty-five and five-tenths percent (55.5%) shall be retained
 27 by the county in which the riverboat is located for
 28 appropriation by the county fiscal body after receiving a
 29 recommendation from the county executive.

30 (6) Five percent (5%) shall be paid to a town having a population
 31 of more than two thousand (2,000) but less than three thousand
 32 five hundred (3,500) located in a county having a population of
 33 more than nineteen thousand five hundred (19,500) but less than
 34 twenty thousand (20,000). At least forty percent (40%) of the
 35 taxes received by a town under this subdivision must be
 36 transferred to the school corporation in which the town is located.

37 (7) Five percent (5%) shall be paid to a town having a population
 38 of more than three thousand five hundred (3,500) located in a
 39 county having a population of more than nineteen thousand five
 40 hundred (19,500) but less than twenty thousand (20,000). At least
 41 forty percent (40%) of the taxes received by a town under this
 42 subdivision must be transferred to the school corporation in which



- 1 the town is located.
- 2 (8) Five-tenths percent (0.5%) of the taxes imposed on adjusted
- 3 gross receipts received after June 30, 2010, shall be paid to the
- 4 Indiana economic development corporation established by
- 5 IC 5-28-3-1.
- 6 (c) For each city and county receiving money under subsection
- 7 (a)(2), the treasurer of state shall determine the total amount of money
- 8 paid by the treasurer of state to the city or county during the state fiscal
- 9 year 2002. The amount determined is the base year revenue for the city
- 10 or county. The treasurer of state shall certify the base year revenue
- 11 determined under this subsection to the city or county. The total
- 12 amount of money distributed to a city or county under this section
- 13 during a state fiscal year may not exceed the entity's base year revenue.
- 14 For each state fiscal year, the treasurer of state shall pay that part of the
- 15 riverboat wagering taxes that:
- 16 (1) exceeds a particular city's or county's base year revenue; and
- 17 (2) would otherwise be due to the city or county under this
- 18 section;
- 19 to the state general fund instead of to the city or county.
- 20 (d) Each state fiscal year the treasurer of state shall transfer from the
- 21 tax revenue remitted to the state general fund under subsection (a)(3)
- 22 to the build Indiana fund an amount that when added to the following
- 23 may not exceed two hundred fifty million dollars (\$250,000,000):
- 24 (1) Surplus lottery revenues under IC 4-30-17-3.
- 25 (2) Surplus revenue from the charity gaming enforcement fund
- 26 under IC 4-32.2-7-7.
- 27 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.
- 28 The treasurer of state shall make transfers on a monthly basis as needed
- 29 to meet the obligations of the build Indiana fund. If in any state fiscal
- 30 year insufficient money is transferred to the state general fund under
- 31 subsection (a)(3) to comply with this subsection, the treasurer of state
- 32 shall reduce the amount transferred to the build Indiana fund to the
- 33 amount available in the state general fund from the transfers under
- 34 subsection (a)(3) for the state fiscal year.
- 35 (e) Before August 15 of each year, the treasurer of state shall
- 36 distribute the wagering taxes set aside for revenue sharing under
- 37 subsection (a)(1) to the county treasurer of each county that does not
- 38 have a riverboat according to the ratio that the county's population
- 39 bears to the total population of the counties that do not have a
- 40 riverboat. Except as provided in subsection (h), the county auditor shall
- 41 distribute the money received by the county under this subsection as
- 42 follows:



- 1 (1) To each city located in the county according to the ratio the
 2 city's population bears to the total population of the county.
 3 (2) To each town located in the county according to the ratio the
 4 town's population bears to the total population of the county.
 5 (3) After the distributions required in subdivisions (1) and (2) are
 6 made, the remainder shall be retained by the county.
 7 (f) Money received by a city, town, or county under subsection (e)
 8 or (h) may be used for any of the following purposes:
 9 (1) To reduce the property tax levy of the city, town, or county for
 10 a particular year (a property tax reduction under this subdivision
 11 does not reduce the maximum levy of the city, town, or county
 12 under IC 6-1.1-18.5).
 13 (2) For deposit in a special fund or allocation fund created under
 14 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
 15 IC 36-7-30 to provide funding for debt repayment.
 16 (3) To fund sewer and water projects, including storm water
 17 management projects.
 18 (4) For police and fire pensions.
 19 (5) To carry out any governmental purpose for which the money
 20 is appropriated by the fiscal body of the city, town, or county.
 21 Money used under this subdivision does not reduce the property
 22 tax levy of the city, town, or county for a particular year or reduce
 23 the maximum levy of the city, town, or county under
 24 IC 6-1.1-18.5.
 25 (g) This subsection does not apply to an entity receiving money
 26 under IC 4-33-12-6(c). Before September 15 of each year, the treasurer
 27 of state shall determine the total amount of money distributed to an
 28 entity under IC 4-33-12-6 during the preceding state fiscal year. If the
 29 treasurer of state determines that the total amount of money distributed
 30 to an entity under IC 4-33-12-6 during the preceding state fiscal year
 31 was less than the entity's base year revenue (as determined under
 32 IC 4-33-12-6), the treasurer of state shall make a supplemental
 33 distribution to the entity from taxes collected under this chapter and
 34 deposited into the state general fund. Except as provided in subsection
 35 (i), the amount of an entity's supplemental distribution is equal to:
 36 (1) the entity's base year revenue (as determined under
 37 IC 4-33-12-6); minus
 38 (2) the sum of:
 39 (A) the total amount of money distributed to the entity during
 40 the preceding state fiscal year under IC 4-33-12-6; plus
 41 (B) any amounts deducted under IC 6-3.1-20-7 (**before its**
 42 **expiration January 1, 2022**).



1 (h) This subsection applies only to a county containing a
 2 consolidated city. The county auditor shall distribute the money
 3 received by the county under subsection (e) as follows:

4 (1) To each city, other than a consolidated city, located in the
 5 county according to the ratio that the city's population bears to the
 6 total population of the county.

7 (2) To each town located in the county according to the ratio that
 8 the town's population bears to the total population of the county.

9 (3) After the distributions required in subdivisions (1) and (2) are
 10 made, the remainder shall be paid in equal amounts to the
 11 consolidated city and the county.

12 (i) This subsection applies to a supplemental distribution made after
 13 June 30, 2013. The maximum amount of money that may be distributed
 14 under subsection (g) in a state fiscal year is forty-eight million dollars
 15 (\$48,000,000). If the total amount determined under subsection (g)
 16 exceeds forty-eight million dollars (\$48,000,000), the amount
 17 distributed to an entity under subsection (g) must be reduced according
 18 to the ratio that the amount distributed to the entity under IC 4-33-12-6
 19 bears to the total amount distributed under IC 4-33-12-6 to all entities
 20 receiving a supplemental distribution.

21 SECTION 6. IC 5-3-1-2, AS AMENDED BY P.L.141-2009,
 22 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2014]: Sec. 2. (a) This section applies only when notice of an
 24 event is required to be given by publication in accordance with this
 25 chapter.

26 (b) If the event is a public hearing or meeting concerning any matter
 27 not specifically mentioned in subsection (c), (d), (e), (f), (g), or (h)
 28 notice shall be published one (1) time, at least ten (10) days before the
 29 date of the hearing or meeting.

30 (c) If the event is an election, notice shall be published one (1) time,
 31 at least ten (10) days before the date of the election.

32 (d) If the event is a sale of bonds, notes, or warrants, notice shall be
 33 published two (2) times, at least one (1) week apart, with:

34 (1) the first publication made at least fifteen (15) days before the
 35 date of the sale; and

36 (2) the second publication made at least three (3) days before the
 37 date of the sale.

38 (e) If the event is the receiving of bids, notice shall be published two
 39 (2) times, at least one (1) week apart, with the second publication made
 40 at least seven (7) days before the date the bids will be received.

41 (f) If the event is the establishment of a cumulative or sinking fund,
 42 notice of the proposal and of the public hearing that is required to be



1 held by the political subdivision shall be published two (2) times, at
 2 least one (1) week apart, with the second publication made at least
 3 three (3) days before the date of the hearing.

4 (g) If the event is the submission of a proposal adopted by a political
 5 subdivision for a cumulative or sinking fund for the approval of the
 6 department of local government finance, the notice of the submission
 7 shall be published one (1) time. The political subdivision shall publish
 8 the notice when directed to do so by the department of local
 9 government finance.

10 (h) If the event is the required publication of an ordinance, notice of
 11 the passage of the ordinance shall be published one (1) time within
 12 thirty (30) days after the passage of the ordinance.

13 (i) If the event is one about which notice is required to be published
 14 after the event, notice shall be published one (1) time within thirty (30)
 15 days after the date of the event.

16 (j) If the event is anything else, notice shall be published two (2)
 17 times, at least one (1) week apart, with the second publication made at
 18 least three (3) days before the event.

19 (k) If any officer charged with the duty of publishing any notice
 20 required by law is unable to procure advertisement:

21 (1) at the price fixed by law;

22 (2) because the newspaper refuses to publish the advertisement;
 23 or

24 (3) because the newspaper refuses to post the advertisement on
 25 the newspaper's Internet web site (if required under section 1.5 of
 26 this chapter);

27 it is sufficient for the officer to post printed notices in three (3)
 28 prominent places in the political subdivision, instead of publication of
 29 the notice in newspapers and on an Internet web site (if required under
 30 section 1.5 of this chapter).

31 (l) If a notice of budget estimates for a political subdivision is
 32 published as required in IC 6-1.1-17-3, and the published notice
 33 contains an error due to the fault of a newspaper, the notice as
 34 presented for publication is a valid notice under this chapter. **This**
 35 **subsection expires January 1, 2016.**

36 (m) Notwithstanding subsection (j), if a notice of budget estimates
 37 for a political subdivision is published as required in IC 6-1.1-17-3, and
 38 if the notice is not published at least ten (10) days before the date fixed
 39 for the public hearing on the budget estimate due to the fault of a
 40 newspaper, the notice is a valid notice under this chapter if it is
 41 published one (1) time at least three (3) days before the hearing. **This**
 42 **subsection expires January 1, 2016.**



1 SECTION 7. IC 5-3-1-2.3, AS AMENDED BY P.L.169-2006,
 2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2014]: Sec. 2.3. (a) A notice published in accordance with this
 4 chapter or any other Indiana statute is valid even though the notice
 5 contains errors or omissions, as long as:

6 (1) a reasonable person would not be misled by the error or
 7 omission; and

8 (2) the notice is in substantial compliance with the time and
 9 publication requirements applicable under this chapter or any
 10 other Indiana statute under which the notice is published.

11 (b) This subsection applies if:

12 (1) a county auditor publishes a notice concerning a tax rate, tax
 13 levy, or budget of a political subdivision in the county;

14 (2) the notice contains an error or omission that causes the notice
 15 to inaccurately reflect the tax rate, tax levy, or budget actually
 16 proposed or fixed by the political subdivision; and

17 (3) the county auditor is responsible for the error or omission
 18 described in subdivision (2).

19 Notwithstanding any other law, the department of local government
 20 finance may correct an error or omission described in subdivision (2)
 21 at any time. If an error or omission described in subdivision (2) occurs,
 22 the county auditor must publish, at the county's expense, a notice
 23 containing the correct tax rate, tax levy, or budget as proposed or fixed
 24 by the political subdivision. **This subsection expires January 1, 2016.**

25 SECTION 8. IC 5-22-5-8.5, AS AMENDED BY P.L.277-2013,
 26 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2014]: Sec. 8.5. (a) As used in this section, "clean energy
 28 vehicle" means any of the following:

29 (1) A vehicle that operates on one (1) or more of the following
 30 energy sources:

31 (A) A rechargeable energy storage system.

32 (B) Hydrogen.

33 (C) Compressed air.

34 (D) Compressed or liquid natural gas.

35 (E) Solar energy.

36 (F) Liquefied petroleum gas.

37 (G) Any other alternative fuel (as defined in IC 6-3.1-31.9-1
 38 **before its expiration January 1, 2022).**

39 (2) A vehicle that operates on gasoline and one (1) or more of the
 40 energy sources listed in subdivision (1).

41 (3) A vehicle that operates on diesel fuel and one (1) or more of
 42 the energy sources listed in subdivision (1).



- 1 (b) As used in this section, "state entity" means the following:
- 2 (1) A state agency.
- 3 (2) Any other authority, board, branch, commission, committee,
- 4 department, division, or other instrumentality of the executive
- 5 (including the administrative), legislative, or judicial department
- 6 of state government.
- 7 The term includes a state elected official's office and excludes a state
- 8 educational institution.
- 9 (c) As used in this section, "vehicle" includes the following:
- 10 (1) An automobile.
- 11 (2) A truck.
- 12 (3) A tractor.
- 13 (d) Except as provided in subsection (e), if a state entity purchases
- 14 or leases a vehicle, it must purchase or lease a clean energy vehicle
- 15 unless the Indiana department of administration determines that the
- 16 purchase or lease of a clean energy vehicle:
- 17 (1) is inappropriate because of the purposes for which the vehicle
- 18 will be used; or
- 19 (2) would cost at least twenty percent (20%) more than the
- 20 purchase or lease of a vehicle that:
- 21 (A) is not a clean energy vehicle; and
- 22 (B) is designed and equipped comparably to the clean energy
- 23 vehicle.
- 24 (e) The requirements of subsection (d) do not apply to the:
- 25 (1) purchase or lease of vehicles by or for the state police
- 26 department; and
- 27 (2) short term or temporary lease of vehicles.
- 28 (f) The Indiana department of administration shall adopt rules or
- 29 guidelines to provide a preference for the purchase or lease by state
- 30 entities of clean energy vehicles manufactured wholly or partially in
- 31 Indiana or containing parts manufactured in Indiana.
- 32 (g) Before August 1, each state entity shall annually submit to the
- 33 Indiana department of administration information regarding the use of
- 34 clean energy vehicles by the state entity. The information must specify
- 35 the following for the preceding state fiscal year:
- 36 (1) The amount of alternative fuels purchased by the state entity.
- 37 (2) The amount of conventional fuels purchased by the state
- 38 entity.
- 39 (3) The average price per gallon paid by the state entity for each
- 40 type of fuel purchased by the state entity.
- 41 (4) The total number of vehicles purchased or leased by the state
- 42 agency that were clean energy vehicles and the total number of



1 vehicles purchased or leased by the state agency that were not
2 clean energy vehicles.

3 (5) Any other information required by the Indiana department of
4 administration.

5 (h) Before September 1, the Indiana department of administration
6 shall annually submit to the general assembly in an electronic format
7 under IC 5-14-6 and to the governor a report that lists the information
8 required under subsection (g) for each state entity and for all state
9 agencies in the aggregate.

10 SECTION 9. IC 5-28-11-1, AS ADDED BY P.L.4-2005, SECTION
11 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
12 2014]: Sec. 1. As used in this chapter, "economically disadvantaged
13 area" has the meaning set forth in IC 6-3.1-9-1 **(before its expiration
14 January 1, 2022).**

15 SECTION 10. IC 5-28-15-3, AS AMENDED BY P.L.146-2008,
16 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2014]: Sec. 3. As used in this chapter, "zone business" means
18 an entity that accesses at least one (1) tax credit, deduction, or
19 exemption incentive available under this chapter, IC 6-1.1-45,
20 IC 6-3-3-10 **(before its expiration January 1, 2022)**, IC 6-3.1-7
21 **(before its expiration January 1, 2022)**, or IC 6-3.1-10 **(before its
22 expiration January 1, 2022).**

23 SECTION 11. IC 5-28-15-5, AS AMENDED BY P.L.288-2013,
24 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JULY 1, 2014]: Sec. 5. (a) The board has the following powers, in
26 addition to other powers that are contained in this chapter:

27 (1) To review and approve or reject all applicants for enterprise
28 zone designation, according to the criteria for designation that this
29 chapter provides.

30 (2) To waive or modify rules as provided in this chapter.

31 (3) To provide a procedure by which enterprise zones may be
32 monitored and evaluated on an annual basis.

33 (4) To adopt rules for the disqualification of a zone business from
34 eligibility for any or all incentives available to zone businesses,
35 if that zone business does not do one (1) of the following:

36 (A) If all its incentives, as contained in the summary required
37 under section 7 of this chapter, exceed one thousand dollars
38 (\$1,000) in any year, pay a registration fee to the board in an
39 amount equal to one percent (1%) of all its incentives.

40 (B) Use all its incentives, except for the amount of the
41 registration fee, for its property or employees in the zone.

42 (C) Remain open and operating as a zone business for twelve



- 1 (12) months of the assessment year for which the incentive is
- 2 claimed.
- 3 (5) To disqualify a zone business from eligibility for any or all
- 4 incentives available to zone businesses in accordance with the
- 5 procedures set forth in the board's rules.
- 6 (6) After a recommendation from a U.E.A., to modify an
- 7 enterprise zone boundary if the board determines that the
- 8 modification:
- 9 (A) is in the best interests of the zone; and
- 10 (B) meets the threshold criteria and factors set forth in section
- 11 9 of this chapter.
- 12 (7) To employ staff and contract for services.
- 13 (8) To receive funds from any source and expend the funds for the
- 14 administration and promotion of the enterprise zone program.
- 15 (9) To make determinations under IC 6-3.1-11 (**before its**
- 16 **expiration January 1, 2022**) concerning the designation of
- 17 locations as industrial recovery sites.
- 18 (10) To make determinations under IC 6-3.1-11 (**before its**
- 19 **expiration January 1, 2022**) concerning the disqualification of
- 20 persons from claiming credits provided by that chapter in
- 21 appropriate cases.
- 22 (b) In addition to a registration fee paid under subsection (a)(4)(A),
- 23 each zone business that receives an incentive described in section 3 of
- 24 this chapter shall assist the zone U.E.A. in an amount determined by
- 25 the legislative body of the municipality in which the zone is located. If
- 26 a zone business does not assist a U.E.A., the legislative body of the
- 27 municipality in which the zone is located may pass an ordinance
- 28 disqualifying a zone business from eligibility for all credits or
- 29 incentives available to zone businesses. If a legislative body
- 30 disqualifies a zone business under this subsection, the legislative body
- 31 shall notify the board, the department of local government finance, and
- 32 the department of state revenue in writing not more than thirty (30)
- 33 days after the passage of the ordinance disqualifying the zone business.
- 34 Disqualification of a zone business under this section is effective
- 35 beginning with the taxable year in which the ordinance disqualifying
- 36 the zone business is adopted.
- 37 SECTION 12. IC 5-28-21-1, AS ADDED BY P.L.4-2005,
- 38 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 39 JULY 1, 2014]: Sec. 1. As used in this chapter, "economically
- 40 disadvantaged area" has the meaning set forth in IC 6-3.1-9-1 (**before**
- 41 **its expiration January 1, 2022**).
- 42 SECTION 13. IC 5-28-28-4, AS AMENDED BY P.L.288-2013,



1 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2014]: Sec. 4. As used in this chapter, "tax credit" means a
3 state tax liability credit under any of the following:

- 4 (1) IC 6-3.1-7 **(before its expiration January 1, 2022).**
5 (2) IC 6-3.1-13 **(before its expiration January 1, 2022).**
6 (3) IC 6-3.1-26 **(before its expiration January 1, 2022).**
7 (4) IC 6-3.1-27.
8 (5) IC 6-3.1-28.
9 (6) IC 6-3.1-30 **(before its expiration January 1, 2022).**
10 (7) IC 6-3.1-31.9 **(before its expiration January 1, 2022).**
11 (8) IC 6-3.1-33.

12 SECTION 14. IC 6-1.1-8-19 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 19. **(a)** Each year a
14 public utility company shall file a statement concerning the value and
15 description of the property which is either owned or used by the
16 company on the assessment date of that year. The company shall file
17 this statement with the department of local government finance ~~on the~~
18 **form in the manner** prescribed by the department. The department of
19 local government finance may extend the due date for a statement.
20 Unless the department of local government finance grants an extension,
21 a public utility company shall file its statement for a year:

- 22 (1) on or before March 1st of that year unless the company is a
23 railroad car company; or
24 (2) on or before ~~May~~ **July** 1st of that year if the company is a
25 railroad car company.

26 **(b) A public utility company may, not later than sixty (60) days**
27 **after filing a valid and timely statement under subsection (a), file**
28 **an amended statement:**

- 29 (1) **for distribution purposes;**
30 (2) **to correct errors; or**
31 (3) **for any other reason, except:**
32 (A) **obsolescence; or**
33 (B) **the credit for railroad car maintenance and**
34 **improvements provided under IC 6-1.1-8.2.**

35 SECTION 15. IC 6-1.1-8-20 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 20. (a) If a public utility
37 company does not file a statement with the department of local
38 government finance on or before the date prescribed under section 19
39 of this chapter, the company shall pay a penalty of one hundred dollars
40 (\$100) per day for each day that the statement is late. **However, a**
41 **penalty under this subsection may not exceed one thousand dollars**
42 **(\$1,000).**



1 (b) The department of local government finance shall notify the
 2 attorney general if a public utility company fails to file a statement on
 3 or before the due date. The attorney general shall then bring an action
 4 in the name of this state to collect the penalty due under this section.

5 (c) The state auditor shall deposit amounts collected under this
 6 section in the state treasury for credit to the state general fund.

7 SECTION 16. IC 6-1.1-8-22 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. (a) The department
 9 of local government finance shall assess the property of a public utility
 10 company based upon the information available to the department if the
 11 company:

12 (1) does not file a statement which is required under section 19 of
 13 this chapter;

14 (2) does not permit the department to examine the company's
 15 property, books, or records; or

16 (3) does not comply with a summons issued by the department.

17 ~~An assessment which is made by the department of local government~~
 18 ~~finance under this section is final unless the company establishes that~~
 19 ~~the department committed actual fraud in making the assessment.~~

20 **(b) A public utility company may provide the department with**
 21 **a statement under section 19 of this chapter not later than one (1)**
 22 **year after the department makes the department's assessment**
 23 **under this section. If a public utility company does so, the**
 24 **department may amend the assessment it makes under this section**
 25 **in reliance on the public utility company's statement filed under**
 26 **this subsection.**

27 SECTION 17. IC 6-1.1-11-4, AS AMENDED BY P.L.173-2011,
 28 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2014]: Sec. 4. (a) The exemption application referred to in
 30 section 3 of this chapter is not required if the exempt property is owned
 31 by the United States, the state, an agency of this state, or a political
 32 subdivision (as defined in IC 36-1-2-13). However, this subsection
 33 applies only when the property is used, and in the case of real property
 34 occupied, by the owner.

35 (b) The exemption application referred to in section 3 of this chapter
 36 is not required if the exempt property is a cemetery:

37 (1) described by IC 6-1.1-2-7; or

38 (2) maintained by a township executive under IC 23-14-68.

39 (c) The exemption application referred to in section 3 of this chapter
 40 is not required if the exempt property is owned by the bureau of motor
 41 vehicles commission established under IC 9-15-1.

42 (d) The exemption application referred to in section 3 or 3.5 of this



1 chapter is not required if:

2 (1) the exempt property is:

3 (A) tangible property used for religious purposes described in
4 IC 6-1.1-10-21;

5 (B) tangible property owned by a church or religious society
6 used for educational purposes described in IC 6-1.1-10-16;

7 (C) other tangible property owned, occupied, and used by a
8 person for educational, literary, scientific, religious, or
9 charitable purposes described in IC 6-1.1-10-16; or

10 (D) other tangible property owned by a fraternity or sorority
11 (as defined in IC 6-1.1-10-24).

12 (2) the exemption application referred to in section 3 or 3.5 of this
13 chapter was filed properly at least once for a religious use under
14 IC 6-1.1-10-21, an educational, literary, scientific, religious, or
15 charitable use under IC 6-1.1-10-16, or use by a fraternity or
16 sorority under IC 6-1.1-10-24; and

17 (3) the property continues to meet the requirements for an
18 exemption under IC 6-1.1-10-16, IC 6-1.1-10-21, or
19 IC 6-1.1-10-24.

20 A change in ownership of property does not terminate an exemption of
21 the property if after the change in ownership the property continues to
22 meet the requirements for an exemption under IC 6-1.1-10-16,
23 IC 6-1.1-10-21, or IC 6-1.1-10-24. However, if title to any of the real
24 property subject to the exemption changes or any of the tangible
25 property subject to the exemption is used for a nonexempt purpose after
26 the date of the last properly filed exemption application, the person that
27 obtained the exemption or the current owner of the property shall notify
28 the county assessor for the county where the tangible property is
29 located of the change in the year that the change occurs. The notice
30 must be in the form prescribed by the department of local government
31 finance. If the county assessor discovers that title to property granted
32 an exemption described in IC 6-1.1-10-16, IC 6-1.1-10-21, or
33 IC 6-1.1-10-24 has changed, the county assessor shall notify the
34 persons entitled to a tax statement under IC 6-1.1-22-8.1 for the
35 property of the change in title and indicate that the county auditor will
36 suspend the exemption for the property until the persons provide the
37 county assessor with an affidavit, signed under penalties of perjury, that
38 identifies the new owners of the property and indicates that the
39 property continues to meet the requirements for an exemption under
40 IC 6-1.1-10-21, IC 6-1.1-10-16, or IC 6-1.1-10-24. Upon receipt of the
41 affidavit, the county assessor shall reinstate the exemption for the years
42 for which the exemption was suspended and each year thereafter that



1 the property continues to meet the requirements for an exemption under
 2 ~~IC 6-1.1-10-21, IC 6-1.1-10-16, or IC 6-1.1-10-24.~~

3 (e) If, after an assessment date, an exempt property is
 4 transferred or its use is changed resulting in its ineligibility for an
 5 exemption under IC 6-1.1-10, the county assessor shall terminate
 6 the exemption for that assessment date. However, if the property
 7 remains eligible for an exemption under IC 6-1.1-10 following the
 8 transfer or change in use, the exemption shall be left in place for
 9 that assessment date. For the following assessment date, the person
 10 that obtained the exemption or the current owner of the property,
 11 as applicable, shall, under section 3 of this chapter and except as
 12 provided in this section, file a certified application in duplicate with
 13 the county assessor of the county in which the property that is the
 14 subject of the exemption is located. In all cases, the person that
 15 obtained the exemption or the current owner of the property shall
 16 notify the county assessor for the county where the tangible
 17 property is located of the change in ownership or use in the year
 18 that the change occurs. The notice must be in the form prescribed
 19 by the department of local government finance.

20 (f) If the county assessor discovers that title to or use of
 21 property granted an exemption under IC 6-1.1-10 has changed, the
 22 county assessor shall notify the persons entitled to a tax statement
 23 under IC 6-1.1-22-8.1 for the property of the change in title or use
 24 and indicate that the county auditor will suspend the exemption for
 25 the property until the persons provide the county assessor with an
 26 affidavit, signed under penalties of perjury, that identifies the new
 27 owners or use of the property and indicates whether the property
 28 continues to meet the requirements for an exemption under
 29 IC 6-1.1-10. Upon receipt of the affidavit, the county assessor shall
 30 reinstate the exemption under IC 6-1.1-15-12. However, a claim
 31 under IC 6-1.1-26-1 for a refund of all or a part of a tax installment
 32 paid and any correction of error under IC 6-1.1-15-12 must be filed
 33 not later than three (3) years after the taxes are first due.

34 SECTION 18. IC 6-1.1-12-10.1, AS AMENDED BY P.L.144-2008,
 35 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 10.1. (a) Except as provided in section 17.8
 37 of this chapter and subject to section 45 of this chapter, an individual
 38 who desires to claim the deduction provided by section 9 of this
 39 chapter must file a sworn statement, on forms prescribed by the
 40 department of local government finance, with the auditor of the county
 41 in which the real property, mobile home, or manufactured home is
 42 located. With respect to real property, the statement must be filed



1 during the year for which the individual wishes to obtain the deduction:
 2 **completed and dated in the calendar year for which the individual**
 3 **wishes to obtain the deduction and filed with the county auditor on**
 4 **or before January 5 of the immediately succeeding calendar year.**

5 With respect to a mobile home that is not assessed as real property or
 6 a manufactured home that is not assessed as real property, the
 7 statement must be filed during the twelve (12) months before March 31
 8 of each year for which the individual wishes to obtain the deduction.
 9 The statement may be filed in person or by mail. If mailed, the mailing
 10 must be postmarked on or before the last day for filing.

11 (b) The statement referred to in subsection (a) shall be in affidavit
 12 form or require verification under penalties of perjury. The statement
 13 must be filed in duplicate if the applicant owns, or is buying under a
 14 contract, real property, a mobile home, or a manufactured home subject
 15 to assessment in more than one (1) county or in more than one (1)
 16 taxing district in the same county. The statement shall contain:

17 (1) the source and exact amount of gross income received by the
 18 individual and the individual's spouse during the preceding
 19 calendar year;

20 (2) the description and assessed value of the real property, mobile
 21 home, or manufactured home;

22 (3) the individual's full name and complete residence address;

23 (4) the record number and page where the contract or
 24 memorandum of the contract is recorded if the individual is
 25 buying the real property, mobile home, or manufactured home on
 26 contract; and

27 (5) any additional information which the department of local
 28 government finance may require.

29 (c) In order to substantiate the deduction statement, the applicant
 30 shall submit for inspection by the county auditor a copy of the
 31 applicant's and a copy of the applicant's spouse's income tax returns for
 32 the preceding calendar year. If either was not required to file an income
 33 tax return, the applicant shall subscribe to that fact in the deduction
 34 statement.

35 SECTION 19. IC 6-1.1-12-12, AS AMENDED BY P.L.1-2009,
 36 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 UPON PASSAGE]: Sec. 12. (a) Except as provided in section 17.8 of
 38 this chapter and subject to section 45 of this chapter, a person who
 39 desires to claim the deduction provided in section 11 of this chapter
 40 must file an application, on forms prescribed by the department of local
 41 government finance, with the auditor of the county in which the real
 42 property, mobile home not assessed as real property, or manufactured



1 home not assessed as real property is located. With respect to real
 2 property, the application must be ~~filed during the year for which the~~
 3 ~~individual wishes to obtain the deduction:~~ **completed and dated in the**
 4 **calendar year for which the person wishes to obtain the deduction**
 5 **and filed with the county auditor on or before January 5 of the**
 6 **immediately succeeding calendar year.** With respect to a mobile
 7 home that is not assessed as real property or a manufactured home that
 8 is not assessed as real property, the application must be filed during the
 9 twelve (12) months before March 31 of each year for which the
 10 individual wishes to obtain the deduction. The application may be filed
 11 in person or by mail. If mailed, the mailing must be postmarked on or
 12 before the last day for filing.

13 (b) Proof of blindness may be supported by:

- 14 (1) the records of the division of family resources or the division
 15 of disability and rehabilitative services; or
 16 (2) the written statement of a physician who is licensed by this
 17 state and skilled in the diseases of the eye or of a licensed
 18 optometrist.

19 (c) The application required by this section must contain the record
 20 number and page where the contract or memorandum of the contract
 21 is recorded if the individual is buying the real property, mobile home,
 22 or manufactured home on a contract that provides that the individual
 23 is to pay property taxes on the real property, mobile home, or
 24 manufactured home.

25 SECTION 20. IC 6-1.1-12-15, AS AMENDED BY
 26 P.L.293-2013(ts), SECTION 3, IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) Except as
 28 provided in section 17.8 of this chapter and subject to section 45 of this
 29 chapter, an individual who desires to claim the deduction provided by
 30 section 13 or 14 of this chapter must file a statement with the auditor
 31 of the county in which the individual resides. With respect to real
 32 property, the statement must be ~~filed during the year for which the~~
 33 ~~individual wishes to obtain the deduction:~~ **completed and dated in the**
 34 **calendar year for which the individual wishes to obtain the**
 35 **deduction and filed with the county auditor on or before January**
 36 **5 of the immediately succeeding calendar year.** With respect to a
 37 mobile home that is not assessed as real property or a manufactured
 38 home that is not assessed as real property, the statement must be filed
 39 during the twelve (12) months before March 31 of each year for which
 40 the individual wishes to obtain the deduction. The statement may be
 41 filed in person or by mail. If mailed, the mailing must be postmarked
 42 on or before the last day for filing. The statement shall contain a sworn



1 declaration that the individual is entitled to the deduction.

2 (b) In addition to the statement, the individual shall submit to the
3 county auditor for the auditor's inspection:

4 (1) a pension certificate, an award of compensation, or a disability
5 compensation check issued by the United States Department of
6 Veterans Affairs if the individual claims the deduction provided
7 by section 13 of this chapter;

8 (2) a pension certificate or an award of compensation issued by
9 the United States Department of Veterans Affairs if the individual
10 claims the deduction provided by section 14 of this chapter; or

11 (3) the appropriate certificate of eligibility issued to the individual
12 by the Indiana department of veterans' affairs if the individual
13 claims the deduction provided by section 13 or 14 of this chapter.

14 (c) If the individual claiming the deduction is under guardianship,
15 the guardian shall file the statement required by this section. If a
16 deceased veteran's surviving spouse is claiming the deduction, the
17 surviving spouse shall provide the documentation necessary to
18 establish that at the time of death the deceased veteran satisfied the
19 requirements of section 13(a)(1) through 13(a)(4) of this chapter or
20 section 14(a)(1) through 14(a)(4) of this chapter, whichever applies.

21 (d) If the individual claiming a deduction under section 13 or 14 of
22 this chapter is buying real property, a mobile home not assessed as real
23 property, or a manufactured home not assessed as real property under
24 a contract that provides that the individual is to pay property taxes for
25 the real estate, mobile home, or manufactured home, the statement
26 required by this section must contain the record number and page
27 where the contract or memorandum of the contract is recorded.

28 SECTION 21. IC 6-1.1-12-17, AS AMENDED BY P.L.144-2008,
29 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 UPON PASSAGE]: Sec. 17. Except as provided in section 17.8 of this
31 chapter and subject to section 45 of this chapter, a surviving spouse
32 who desires to claim the deduction provided by section 16 of this
33 chapter must file a statement with the auditor of the county in which
34 the surviving spouse resides. With respect to real property, the
35 statement must be ~~filed during the year for which the surviving spouse~~
36 ~~wishes to obtain the deduction.~~ **completed and dated in the calendar**
37 **year for which the person wishes to obtain the deduction and filed**
38 **with the county auditor on or before January 5 of the immediately**
39 **succeeding calendar year.** With respect to a mobile home that is not
40 assessed as real property or a manufactured home that is not assessed
41 as real property, the statement must be filed during the twelve (12)
42 months before March 31 of each year for which the individual wishes



1 to obtain the deduction. The statement may be filed in person or by
 2 mail. If mailed, the mailing must be postmarked on or before the last
 3 day for filing. The statement shall contain:

- 4 (1) a sworn statement that the surviving spouse is entitled to the
 5 deduction; and
 6 (2) the record number and page where the contract or
 7 memorandum of the contract is recorded, if the individual is
 8 buying the real property on a contract that provides that the
 9 individual is to pay property taxes on the real property.

10 In addition to the statement, the surviving spouse shall submit to the
 11 county auditor for the auditor's inspection a letter or certificate from the
 12 United States Department of Veterans Affairs establishing the service
 13 of the deceased spouse in the military or naval forces of the United
 14 States before November 12, 1918.

15 SECTION 22. IC 6-1.1-12-17.5, AS AMENDED BY P.L.144-2008,
 16 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 UPON PASSAGE]: Sec. 17.5. (a) Except as provided in section 17.8
 18 of this chapter and subject to section 45 of this chapter, a veteran who
 19 desires to claim the deduction provided in section 17.4 of this chapter
 20 must file a sworn statement, on forms prescribed by the department of
 21 local government finance, with the auditor of the county in which the
 22 real property, mobile home, or manufactured home is assessed. With
 23 respect to real property, the veteran must ~~file the statement during the~~
 24 ~~year for which the veteran wishes to obtain the deduction: **complete**~~
 25 ~~**and date the statement in the calendar year for which the veteran**~~
 26 ~~**wishes to obtain the deduction and file the statement with the**~~
 27 ~~**county auditor on or before January 5 of the immediately**~~
 28 ~~**succeeding calendar year.**~~ With respect to a mobile home that is not
 29 assessed as real property or a manufactured home that is not assessed
 30 as real property, the statement must be filed during the twelve (12)
 31 months before March 31 of each year for which the individual wishes
 32 to obtain the deduction. The statement may be filed in person or by
 33 mail. If mailed, the mailing must be postmarked on or before the last
 34 day for filing.

35 (b) The statement required under this section shall be in affidavit
 36 form or require verification under penalties of perjury. The statement
 37 shall be filed in duplicate if the veteran has, or is buying under a
 38 contract, real property in more than one (1) county or in more than one
 39 (1) taxing district in the same county. The statement shall contain:

- 40 (1) a description and the assessed value of the real property,
 41 mobile home, or manufactured home;
 42 (2) the veteran's full name and complete residence address;



1 (3) the record number and page where the contract or
 2 memorandum of the contract is recorded, if the individual is
 3 buying the real property, mobile home, or manufactured home on
 4 a contract that provides that the individual is to pay property taxes
 5 on the real property, mobile home, or manufactured home; and
 6 (4) any additional information which the department of local
 7 government finance may require.

8 SECTION 23. IC 6-1.1-12-27.1, AS AMENDED BY P.L.137-2012,
 9 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 UPON PASSAGE]: Sec. 27.1. Except as provided in sections 36 and
 11 44 of this chapter and subject to section 45 of this chapter, a person
 12 who desires to claim the deduction provided by section 26 or 26.1 of
 13 this chapter must file a certified statement in duplicate, on forms
 14 prescribed by the department of local government finance, with the
 15 auditor of the county in which the real property, mobile home,
 16 manufactured home, or solar power device is subject to assessment.
 17 With respect to real property or a solar power device that is assessed as
 18 distributable property under IC 6-1.1-8 or as personal property, the
 19 person must ~~file the statement during the year for which the person~~
 20 ~~desires to obtain the deduction.~~ **complete and date the certified**
 21 **statement in the calendar year for which the person wishes to**
 22 **obtain the deduction and file the certified statement with the**
 23 **county auditor on or before January 5 of the immediately**
 24 **succeeding calendar year.** Except as provided in sections 36 and 44
 25 of this chapter and subject to section 45 of this chapter, with respect to
 26 a mobile home which is not assessed as real property, the person must
 27 file the statement during the twelve (12) months before March 31 of
 28 each year for which the person desires to obtain the deduction. The
 29 person must:

- 30 (1) own the real property, mobile home, or manufactured home or
 31 own the solar power device;
 32 (2) be buying the real property, mobile home, manufactured
 33 home, or solar power device under contract; or
 34 (3) be leasing the real property from the real property owner and
 35 be subject to assessment and property taxation with respect to the
 36 solar power device;

37 on the date the statement is filed under this section. The statement may
 38 be filed in person or by mail. If mailed, the mailing must be postmarked
 39 on or before the last day for filing. On verification of the statement by
 40 the assessor of the township in which the real property, mobile home,
 41 manufactured home, or solar power device is subject to assessment, or
 42 the county assessor if there is no township assessor for the township,



1 the county auditor shall allow the deduction.

2 SECTION 24. IC 6-1.1-12-30, AS AMENDED BY P.L.1-2009,
 3 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 UPON PASSAGE]: Sec. 30. Except as provided in sections 36 and 44
 5 of this chapter and subject to section 45 of this chapter, a person who
 6 desires to claim the deduction provided by section 29 of this chapter
 7 must file a certified statement in duplicate, on forms prescribed by the
 8 department of local government finance, with the auditor of the county
 9 in which the real property or mobile home is subject to assessment.
 10 With respect to real property, the person must ~~file the statement during~~
 11 ~~the year for which the person desires to obtain the deduction:~~ **complete**
 12 **and date the statement in the calendar year for which the person**
 13 **desires to obtain the deduction and file the statement with the**
 14 **county auditor on or before January 5 of the immediately**
 15 **succeeding calendar year.** With respect to a mobile home which is not
 16 assessed as real property, the person must file the statement during the
 17 twelve (12) months before March 31 of each year for which the person
 18 desires to obtain the deduction. The person must:

19 (1) own the real property, mobile home, or manufactured home;

20 or

21 (2) be buying the real property, mobile home, or manufactured
 22 home under contract;

23 on the date the statement is filed under this section. On verification of
 24 the statement by the assessor of the township in which the real property
 25 or mobile home is subject to assessment, or the county assessor if there
 26 is no township assessor for the township, the county auditor shall allow
 27 the deduction.

28 SECTION 25. IC 6-1.1-12-35.5, AS AMENDED BY P.L.1-2009,
 29 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 UPON PASSAGE]: Sec. 35.5. (a) Except as provided in section 36 or
 31 44 of this chapter and subject to section 45 of this chapter, a person
 32 who desires to claim the deduction provided by section 31, 33, 34, or
 33 34.5 of this chapter must file a certified statement in duplicate, on
 34 forms prescribed by the department of local government finance and
 35 proof of certification under subsection (b) or (f) with the auditor of the
 36 county in which the property for which the deduction is claimed is
 37 subject to assessment. Except as provided in subsection (e), with
 38 respect to property that is not assessed under IC 6-1.1-7, the person
 39 must ~~file the statement during the year for which the person wishes to~~
 40 ~~obtain the deduction:~~ **The person must file the statement in each year**
 41 ~~for which the person desires to obtain the deduction:~~ **complete and**
 42 **date the certified statement in the calendar year for which the**



1 **person wishes to obtain the deduction and file the certified**
2 **statement with the county auditor on or before January 5 of the**
3 **immediately succeeding calendar year.** With respect to a property
4 which is assessed under IC 6-1.1-7, the person must file the statement
5 during the twelve (12) months before March 31 of each year for which
6 the person desires to obtain the deduction. The statement may be filed
7 in person or by mail. If mailed, the mailing must be postmarked on or
8 before the last day for filing. On verification of the statement by the
9 assessor of the township in which the property for which the deduction
10 is claimed is subject to assessment, or the county assessor if there is no
11 township assessor for the township, the county auditor shall allow the
12 deduction.

13 (b) This subsection does not apply to an application for a deduction
14 under section 34.5 of this chapter. The department of environmental
15 management, upon application by a property owner, shall determine
16 whether a system or device qualifies for a deduction provided by
17 section 31, 33, or 34 of this chapter. If the department determines that
18 a system or device qualifies for a deduction, it shall certify the system
19 or device and provide proof of the certification to the property owner.
20 The department shall prescribe the form and manner of the certification
21 process required by this subsection.

22 (c) This subsection does not apply to an application for a deduction
23 under section 34.5 of this chapter. If the department of environmental
24 management receives an application for certification, the department
25 shall determine whether the system or device qualifies for a deduction.
26 If the department fails to make a determination under this subsection
27 before December 31 of the year in which the application is received,
28 the system or device is considered certified.

29 (d) A denial of a deduction claimed under section 31, 33, 34, or 34.5
30 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal
31 is limited to a review of a determination made by the township assessor
32 county property tax assessment board of appeals, or department of local
33 government finance.

34 (e) A person who timely files a personal property return under
35 IC 6-1.1-3-7(a) for an assessment year and who desires to claim the
36 deduction provided in section 31 of this chapter for property that is not
37 assessed under IC 6-1.1-7 must file the statement described in
38 subsection (a) during the year in which the personal property return is
39 filed.

40 (f) This subsection applies only to an application for a deduction
41 under section 34.5 of this chapter. The center for coal technology
42 research established by IC 21-47-4-1, upon receiving an application



1 from the owner of a building, shall determine whether the building
 2 qualifies for a deduction under section 34.5 of this chapter. If the center
 3 determines that a building qualifies for a deduction, the center shall
 4 certify the building and provide proof of the certification to the owner
 5 of the building. The center shall prescribe the form and procedure for
 6 certification of buildings under this subsection. If the center receives
 7 an application for certification of a building under section 34.5 of this
 8 chapter:

9 (1) the center shall determine whether the building qualifies for
 10 a deduction; and

11 (2) if the center fails to make a determination before December 31
 12 of the year in which the application is received, the building is
 13 considered certified.

14 SECTION 26. IC 6-1.1-12-38, AS AMENDED BY P.L.1-2009,
 15 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 UPON PASSAGE]: Sec. 38. (a) A person is entitled to a deduction
 17 from the assessed value of the person's property in an amount equal to
 18 the difference between:

19 (1) the assessed value of the person's property, including the
 20 assessed value of the improvements made to comply with the
 21 fertilizer storage rules adopted by the state chemist under
 22 IC 15-16-2-44 and the pesticide storage rules adopted by the state
 23 chemist under IC 15-16-4-52; minus

24 (2) the assessed value of the person's property, excluding the
 25 assessed value of the improvements made to comply with the
 26 fertilizer storage rules adopted by the state chemist under
 27 IC 15-16-2-44 and the pesticide storage rules adopted by the state
 28 chemist under IC 15-16-4-52.

29 (b) To obtain the deduction under this section, a person must file a
 30 certified statement in duplicate, on forms prescribed by the department
 31 of local government finance, with the auditor of the county in which the
 32 property is subject to assessment. In addition to the certified statement,
 33 the person must file a certification by the state chemist listing the
 34 improvements that were made to comply with the fertilizer storage
 35 rules adopted under IC 15-16-2-44 and the pesticide storage rules
 36 adopted by the state chemist under IC 15-16-4-52. Subject to section
 37 45 of this chapter, the statement and certification must be filed during
 38 the year preceding the year the deduction will first be applied. **must be**
 39 **completed and dated in the calendar year for which the person**
 40 **wishes to obtain the deduction, and the statement and certification**
 41 **must be filed with the county auditor on or before January 5 of the**
 42 **immediately succeeding calendar year.** Upon the verification of the



1 statement and certification by the assessor of the township in which the
 2 property is subject to assessment, or the county assessor if there is no
 3 township assessor for the township, the county auditor shall allow the
 4 deduction.

5 (c) The deduction provided by this section applies only if the
 6 person:

7 (1) owns the property; or

8 (2) is buying the property under contract;

9 on the assessment date for which the deduction applies.

10 SECTION 27. IC 6-1.1-12-45, AS ADDED BY P.L.144-2008,
 11 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 UPON PASSAGE]: Sec. 45. (a) Subject to subsections (b) and (c), a
 13 deduction under this chapter applies for an assessment date and for the
 14 property taxes due and payable based on the assessment for that
 15 assessment date, regardless of whether with respect to the real property
 16 or mobile home or manufactured home not assessed as real property:

17 (1) the title is conveyed one (1) or more times; or

18 (2) one (1) or more contracts to purchase are entered into;

19 after that assessment date and on or before the next succeeding
 20 assessment date.

21 (b) Subsection (a) applies

22 ~~(1) only if the title holder or the contract buyer on that next~~
 23 ~~succeeding assessment date is eligible for the deduction for that~~
 24 ~~next succeeding assessment date; and~~

25 ~~(2) regardless of whether:~~

26 ~~(A) (1) one (1) or more grantees of title under subsection (a)(1);~~

27 or

28 ~~(B) (2) one (1) or more contract purchasers under subsection~~
 29 ~~(a)(2);~~

30 ~~files file~~ a statement under this chapter to claim the deduction.

31 (c) A deduction applies under subsection (a) for only one (1) year.
 32 The requirements of this chapter for filing a statement to apply for a
 33 deduction under this chapter apply to subsequent years.

34 (d) If:

35 (1) a statement is filed under this chapter in a calendar year to
 36 claim a deduction under this chapter with respect to real property;
 37 and

38 (2) the eligibility criteria for the deduction are met;

39 the deduction applies for the assessment date in that calendar year and
 40 for the property taxes due and payable based on the assessment for that
 41 assessment date.

42 (e) If:



1 (1) a statement is filed under this chapter in a twelve (12) month
 2 filing period designated under this chapter to claim a deduction
 3 under this chapter with respect to a mobile home or a
 4 manufactured home not assessed as real property; and

5 (2) the eligibility criteria for the deduction are met;

6 the deduction applies for the assessment date in that twelve (12) month
 7 period and for the property taxes due and payable based on the
 8 assessment for that assessment date.

9 SECTION 28. IC 6-1.1-12.6-3, AS ADDED BY P.L.70-2008,
 10 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2014]: Sec. 3. (a) A property owner that qualifies for the
 12 deduction under this chapter **and that desires to receive the**
 13 **deduction** must file a statement containing the information required by
 14 subsection (b) with the county auditor to claim the deduction for each
 15 assessment date for which the property owner wishes to receive the
 16 deduction **complete and date a statement containing the**
 17 **information required by subsection (b) in the calendar year for**
 18 **which the person desires to obtain the deduction and file the**
 19 **statement with the county auditor on or before January 5 of the**
 20 **immediately succeeding calendar year**, in the manner prescribed in
 21 rules adopted under section 9 of this chapter. The township assessor
 22 shall verify each statement filed under this section, and the county
 23 auditor shall:

24 (1) make the deductions; and

25 (2) notify the county property tax assessment board of appeals of
 26 all deductions approved;

27 under this section.

28 (b) The statement referred to in subsection (a) must be verified
 29 under penalties for perjury and must contain the following information:

30 (1) The assessed value of the real property for which the person
 31 is claiming the deduction.

32 (2) The full name and complete business address of the person
 33 claiming the deduction.

34 (3) The complete address and a brief description of the real
 35 property for which the person is claiming the deduction.

36 (4) The name of any other county in which the person has applied
 37 for a deduction under this chapter for that assessment date.

38 (5) The complete address and a brief description of any other real
 39 property for which the person has applied for a deduction under
 40 this chapter for that assessment date.

41 SECTION 29. IC 6-1.1-12.8-4, AS ADDED BY P.L.175-2011,
 42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2014]: Sec. 4. (a) A property owner that qualifies for the
 2 deduction under this chapter **and that desires to receive the**
 3 **deduction** must file a statement containing the information required by
 4 subsection (b) with the county auditor to claim the deduction for each
 5 assessment date for which the property owner wishes to receive the
 6 ~~deduction~~ **complete and date a statement containing the**
 7 **information required by subsection (b) in the calendar year for**
 8 **which the person desires to obtain the deduction and file the**
 9 **statement with the county auditor on or before January 5 of the**
 10 **immediately succeeding calendar year**, in the manner prescribed in
 11 rules adopted under section 8 of this chapter. The township assessor,
 12 or the county assessor if there is no township assessor for the township,
 13 shall verify each statement filed under this section, and the county
 14 auditor shall:

- 15 (1) make the deductions; and
- 16 (2) notify the county property tax assessment board of appeals of
- 17 all deductions approved;

18 under this section.

19 (b) The statement referred to in subsection (a) must be verified
 20 under penalties for perjury and must contain the following information:

- 21 (1) The assessed value of the real property for which the person
- 22 is claiming the deduction.
- 23 (2) The full name and complete business address of the person
- 24 claiming the deduction.
- 25 (3) The complete address and a brief description of the real
- 26 property for which the person is claiming the deduction.
- 27 (4) The name of any other county in which the person has applied
- 28 for a deduction under this chapter for that assessment date.
- 29 (5) The complete address and a brief description of any other real
- 30 property for which the person has applied for a deduction under
- 31 this chapter for that assessment date.
- 32 (6) An affirmation by the owner that the owner is receiving not
- 33 more than three (3) deductions under this chapter, including the
- 34 deduction being applied for by the owner, either:
 - 35 (A) as the owner of the residence in inventory; or
 - 36 (B) as an owner that is part of an affiliated group.
- 37 (7) An affirmation that the real property has not been leased and
- 38 will not be leased for any purpose during the term of the
- 39 deduction.

40 SECTION 30. IC 6-1.1-15-12, AS AMENDED BY P.L.172-2011,
 41 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 UPON PASSAGE]: Sec. 12. (a) Subject to the limitations contained in



1 subsections (c), ~~and~~ (d), **and (i)**, a county auditor shall correct errors
 2 which are discovered in the tax duplicate for any one (1) or more of the
 3 following reasons:

- 4 (1) The description of the real property was in error.
 5 (2) The assessment was against the wrong person.
 6 (3) Taxes on the same property were charged more than one (1)
 7 time in the same year.
 8 (4) There was a mathematical error in computing the taxes or
 9 penalties on the taxes.
 10 (5) There was an error in carrying delinquent taxes forward from
 11 one (1) tax duplicate to another.
 12 (6) The taxes, as a matter of law, were illegal.
 13 (7) There was a mathematical error in computing an assessment.
 14 (8) Through an error of omission by any state or county officer,
 15 the taxpayer was not given:
 16 (A) the proper credit under IC 6-1.1-20.6-7.5 for property
 17 taxes imposed for an assessment date after January 15, 2011;
 18 (B) any other credit permitted by law;
 19 (C) an exemption permitted by law; or
 20 (D) a deduction permitted by law.

21 (b) **Subject to subsection (i)**, the county auditor shall correct an
 22 error described under subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5)
 23 when the county auditor finds that the error exists.

24 (c) If the tax is based on an assessment made or determined by the
 25 department of local government finance, the county auditor shall not
 26 correct an error described under subsection (a)(6), (a)(7), or (a)(8) until
 27 after the correction is either approved by the department of local
 28 government finance or ordered by the tax court.

29 (d) If the tax is not based on an assessment made or determined by
 30 the department of local government finance, the county auditor shall
 31 correct an error described under subsection (a)(6), (a)(7), or (a)(8) only
 32 if the correction is first approved by at least two (2) of the following
 33 officials:

- 34 (1) The township assessor (if any).
 35 (2) The county auditor.
 36 (3) The county assessor.

37 If two (2) of these officials do not approve such a correction, the county
 38 auditor shall refer the matter to the county board for determination. The
 39 county board shall provide a copy of the determination to the taxpayer
 40 and to the county auditor.

41 (e) A taxpayer may appeal a determination of the county board to
 42 the Indiana board for a final administrative determination. An appeal



1 under this section shall be conducted in the same manner as appeals
 2 under sections 4 through 8 of this chapter. The Indiana board shall send
 3 the final administrative determination to the taxpayer, the county
 4 auditor, the county assessor, and the township assessor (if any).

5 (f) If a correction or change is made in the tax duplicate after it is
 6 delivered to the county treasurer, the county auditor shall transmit a
 7 certificate of correction to the county treasurer. The county treasurer
 8 shall keep the certificate as the voucher for settlement with the county
 9 auditor.

10 (g) A taxpayer that files a personal property tax return under
 11 IC 6-1.1-3 may not petition under this section for the correction of an
 12 error made by the taxpayer on the taxpayer's personal property tax
 13 return. If the taxpayer wishes to correct an error made by the taxpayer
 14 on the taxpayer's personal property tax return, the taxpayer must
 15 instead file an amended personal property tax return under
 16 IC 6-1.1-3-7.5.

17 (h) A taxpayer that files a statement under IC 6-1.1-8-19 may not
 18 petition under this section for the correction of an error made by the
 19 taxpayer on the taxpayer's statement. If the taxpayer wishes to correct
 20 an error made by the taxpayer on the taxpayer's statement, the taxpayer
 21 must instead initiate an objection under IC 6-1.1-8-28 or an appeal
 22 under IC 6-1.1-8-30.

23 **(i) A taxpayer is not entitled to relief under this section unless**
 24 **the taxpayer files a petition to correct an error:**

25 **(1) with the auditor of the county in which the taxes were**
 26 **originally paid; and**

27 **(2) within three (3) years after the taxes were first due.**

28 SECTION 31. IC 6-1.1-17-3, AS AMENDED BY P.L.137-2012,
 29 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2014]: Sec. 3. (a) The proper officers of a political subdivision
 31 shall formulate its estimated budget and its proposed tax rate and tax
 32 levy on the form prescribed by the department of local government
 33 finance and approved by the state board of accounts. The political
 34 subdivision or appropriate fiscal body, if the political subdivision is
 35 subject to section 20 of this chapter, shall, **(before January 1, 2016)**
 36 **at least ten (10) days before the public hearing, give notice by**
 37 **publication** to taxpayers of:

38 (1) the estimated budget;

39 (2) the estimated maximum permissible levy;

40 (3) the current and proposed tax levies of each fund; and

41 (4) the amounts of excessive levy appeals to be requested.

42 The political subdivision or appropriate fiscal body shall also state the



1 time and place at which the political subdivision or appropriate fiscal
 2 body will hold a public hearing on these items. The political
 3 subdivision or appropriate fiscal body shall **(before January 1, 2016)**
 4 publish the notice twice in accordance with IC 5-3-1 with the first
 5 publication at least ten (10) days before the date fixed for the public
 6 hearing. The first publication must be before September 14, and the
 7 second publication must be before September 21 of the year. The
 8 political subdivision shall pay for the publishing of the notice. **The**
 9 **political subdivision shall submit this information to the**
 10 **department's computer gateway before September 14 of each year**
 11 **in the manner prescribed by the department. The department shall**
 12 **make this information available to taxpayers, at least ten (10) days**
 13 **before the public hearing, through its computer gateway and**
 14 **provide a telephone number through which taxpayers may request**
 15 **mailed copies of a political subdivision's information under this**
 16 **subsection. The department's computer gateway must allow a**
 17 **taxpayer to search for the information under this subsection by the**
 18 **taxpayer's address. The department shall review only the**
 19 **submission to the department's computer gateway for compliance**
 20 **with this section.**

21 (b) For taxes due and payable in 2015 and 2016, each county
 22 shall publish a notice in accordance with IC 5-3-1 in two (2)
 23 newspapers published in the county stating the Internet address at
 24 which the information under subsection (a) is available and the
 25 telephone number through which taxpayers may request copies of
 26 a political subdivision's information under subsection (a). If only
 27 one (1) newspaper is published in the county, publication in that
 28 newspaper is sufficient. The department of local government
 29 finance shall prescribe the notice. Notice under this subsection
 30 shall be published before September 14. Counties may seek
 31 reimbursement from the political subdivisions within their legal
 32 boundaries for the cost of the notice required under this
 33 subsection. The actions under this subsection shall be completed in
 34 the manner prescribed by the department.

35 ~~(b)~~ (c) The board of directors of a solid waste management district
 36 established under IC 13-21 or IC 13-9.5-2 (before its repeal) may
 37 conduct the public hearing required under subsection (a):

- 38 (1) in any county of the solid waste management district; and
- 39 (2) in accordance with the annual notice of meetings published
 40 under IC 13-21-5-2.

41 ~~(c)~~ (d) The trustee of each township in the county shall estimate the
 42 amount necessary to meet the cost of township assistance in the



1 township for the ensuing calendar year. The township board shall adopt
 2 with the township budget a tax rate sufficient to meet the estimated cost
 3 of township assistance. The taxes collected as a result of the tax rate
 4 adopted under this subsection are credited to the township assistance
 5 fund.

6 **(e) A political subdivision for which any of the information**
 7 **under subsection (a) is not (before January 1, 2016) published and**
 8 **is not submitted to the department's computer gateway in the**
 9 **manner prescribed by the department shall have its most recent**
 10 **annual appropriations and annual tax levy continued for the**
 11 **ensuing budget year.**

12 **(f) If a political subdivision or appropriate fiscal body timely**
 13 **publishes (before January 1, 2016) and submits the information**
 14 **under subsection (a) but subsequently discovers the information**
 15 **contains a typographical error, the political subdivision or**
 16 **appropriate fiscal body may request permission from the**
 17 **department to submit amended information to the department's**
 18 **computer gateway and (before January 1, 2016) to publish the**
 19 **amended information. However, such a request must occur not**
 20 **later than seven (7) days before the public hearing held under**
 21 **subsection (a). Acknowledgment of the correction of an error shall**
 22 **be posted on the department's computer gateway and**
 23 **communicated by the political subdivision or appropriate fiscal**
 24 **body to the fiscal body of the county in which the political**
 25 **subdivision and appropriate fiscal body are located.**

26 SECTION 32. IC 6-1.1-17-5.6, AS AMENDED BY P.L.119-2012,
 27 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2014]: Sec. 5.6. (a) For budget years beginning before July 1,
 29 2011, this section applies only to a school corporation that is located in
 30 a city having a population of more than one hundred thousand
 31 (100,000) but less than one hundred ten thousand (110,000). For
 32 budget years beginning after June 30, 2011, this section applies to all
 33 school corporations. Beginning in 2011, each school corporation may
 34 elect to adopt a budget under this section that applies from July 1 of the
 35 year through June 30 of the following year. In the initial budget
 36 adopted by a school corporation under this section, the first six (6)
 37 months of that initial budget must be consistent with the last six (6)
 38 months of the budget adopted by the school corporation for the
 39 calendar year in which the school corporation elects by resolution to
 40 begin adopting budgets that correspond to the state fiscal year. A
 41 corporation shall submit a copy of the resolution to the department of
 42 local government finance and the department of education not more



1 than thirty (30) days after the date the governing body adopts the
2 resolution.

3 (b) Before ~~February~~ **April** 1 of each year, the officers of the school
4 corporation shall meet to fix the budget for the school corporation for
5 the ensuing budget year, with notice given by the same officers.
6 However, if a resolution adopted under subsection (d) is in effect, the
7 officers shall meet to fix the budget for the ensuing budget year before
8 November 1.

9 (c) Each year, at least two (2) days before the first meeting of the
10 county board of tax adjustment held under IC 6-1.1-29-4, the school
11 corporation shall file with the county auditor:

12 (1) a statement of the tax rate and tax levy fixed by the school
13 corporation for the ensuing budget year;

14 (2) two (2) copies of the budget adopted by the school corporation
15 for the ensuing budget year; and

16 (3) any written notification from the department of local
17 government finance under section 16(i) of this chapter that
18 specifies a proposed revision, reduction, or increase in the budget
19 adopted by the school corporation for the ensuing budget year.

20 Each year the county auditor shall present these items to the county
21 board of tax adjustment at the board's first meeting under
22 IC 6-1.1-29-4.

23 (d) The governing body of the school corporation may adopt a
24 resolution to cease using a school year budget year and return to using
25 a calendar year budget year. A resolution adopted under this subsection
26 must be adopted after January 1 and before July 1. The school
27 corporation's initial calendar year budget year following the adoption
28 of a resolution under this subsection begins on January 1 of the year
29 following the year the resolution is adopted. The first six (6) months of
30 the initial calendar year budget for the school corporation must be
31 consistent with the last six (6) months of the final school year budget
32 fixed by the department of local government finance before the
33 adoption of a resolution under this subsection.

34 (e) A resolution adopted under subsection (d) may be rescinded by
35 a subsequent resolution adopted by the governing body. If the
36 governing body of the school corporation rescinds a resolution adopted
37 under subsection (d) and returns to a school year budget year, the
38 school corporation's initial school year budget year begins on July 1
39 following the adoption of the rescinding resolution and ends on June
40 30 of the following year. The first six (6) months of the initial school
41 year budget for the school corporation must be consistent with the last
42 six (6) months of the last calendar year budget fixed by the department



1 of local government finance before the adoption of a rescinding
2 resolution under this subsection.

3 SECTION 33. IC 6-1.1-17-16, AS AMENDED BY P.L.218-2013,
4 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2014]: Sec. 16. (a) Subject to the limitations and requirements
6 prescribed in this section, the department of local government finance
7 may revise, reduce, or increase a political subdivision's budget by fund,
8 tax rate, or tax levy which the department reviews under section 8 or
9 10 of this chapter.

10 (b) Subject to the limitations and requirements prescribed in this
11 section, the department of local government finance may review,
12 revise, reduce, or increase the budget by fund, tax rate, or tax levy of
13 any of the political subdivisions whose tax rates compose the aggregate
14 tax rate within a political subdivision whose budget, tax rate, or tax
15 levy is the subject of an appeal initiated under this chapter.

16 (c) Except as provided in section 16.1 of this chapter, the
17 department of local government finance is not required to hold a public
18 hearing before the department of local government finance reviews,
19 revises, reduces, or increases a political subdivision's budget by fund,
20 tax rate, or tax levy under this section.

21 (d) Except as provided in subsection (i), IC 20-46, or IC 6-1.1-18.5,
22 the department of local government finance may not increase a political
23 subdivision's budget by fund, tax rate, or tax levy to an amount which
24 exceeds the amount originally fixed by the political subdivision.
25 However, if the department of local government finance determines
26 that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or budget of the
27 political subdivision, the maximum amount by which the department
28 may increase the tax rate, tax levy, or budget is the amount originally
29 fixed by the political subdivision, and not the amount that was
30 incorrectly published or omitted in the notice described in
31 IC 5-3-1-2.3(b). The department of local government finance shall give
32 the political subdivision notification electronically in the manner
33 prescribed by the department of local government finance specifying
34 any revision, reduction, or increase the department proposes in a
35 political subdivision's tax levy or tax rate. The political subdivision has
36 ten (10) calendar days from the date the political subdivision receives
37 the notice to provide a response electronically in the manner prescribed
38 by the department of local government finance. The response may
39 include budget reductions, reallocation of levies, a revision in the
40 amount of miscellaneous revenues, and further review of any other
41 item about which, in the view of the political subdivision, the
42 department is in error. The department of local government finance



1 shall consider the adjustments as specified in the political subdivision's
 2 response if the response is provided as required by this subsection and
 3 shall deliver a final decision to the political subdivision.

4 (e) The department of local government finance may not approve a
 5 levy for lease payments by a city, town, county, library, or school
 6 corporation if the lease payments are payable to a building corporation
 7 for use by the building corporation for debt service on bonds and if:

- 8 (1) no bonds of the building corporation are outstanding; or
- 9 (2) the building corporation has enough legally available funds on
 10 hand to redeem all outstanding bonds payable from the particular
 11 lease rental levy requested.

12 (f) The department of local government finance shall certify its
 13 action to:

- 14 (1) the county auditor;
- 15 (2) the political subdivision if the department acts pursuant to an
 16 appeal initiated by the political subdivision;
- 17 (3) the taxpayer that initiated an appeal under section 13 of this
 18 chapter, or, if the appeal was initiated by multiple taxpayers, the
 19 first ten (10) taxpayers whose names appear on the statement filed
 20 to initiate the appeal; and
- 21 (4) a taxpayer that owns property that represents at least ten
 22 percent (10%) of the taxable assessed valuation in the political
 23 subdivision.

24 (g) The following may petition for judicial review of the final
 25 determination of the department of local government finance under
 26 subsection (f):

- 27 (1) If the department acts under an appeal initiated by a political
 28 subdivision, the political subdivision.
- 29 (2) If the department:
 - 30 (A) acts under an appeal initiated by one (1) or more taxpayers
 31 under section 13 of this chapter; or
 - 32 (B) fails to act on the appeal before the department certifies its
 33 action under subsection (f);
 a taxpayer who signed the statement filed to initiate the appeal.
- 34 (3) If the department acts under an appeal initiated by the county
 35 auditor under section 14 of this chapter, the county auditor.
- 36 (4) A taxpayer that owns property that represents at least ten
 37 percent (10%) of the taxable assessed valuation in the political
 38 subdivision.
 39

40 The petition must be filed in the tax court not more than forty-five (45)
 41 days after the department certifies its action under subsection (f).

42 (h) The department of local government finance is expressly



1 directed to complete the duties assigned to it under this section not later
2 than February 15 of each year for taxes to be collected during that year.

3 (i) Subject to the provisions of all applicable statutes, the
4 department of local government finance ~~may~~ **shall, unless the**
5 **department finds extenuating circumstances**, increase a political
6 subdivision's tax levy to an amount that exceeds the amount originally
7 ~~fixed~~ **advertised or adopted** by the political subdivision if:

8 (1) the increase is ~~(1)~~ requested in writing by the officers of the
9 political subdivision;

10 (2) ~~either: the requested increase is published on the~~
11 **department's advertising Internet web site and (before**
12 **January 1, 2016) is published by the political subdivision**
13 **according to a notice provided by the department; and**

14 (A) based on information first obtained by the political
15 subdivision after the public hearing under section 3 of this
16 chapter; or

17 (B) results from an inadvertent mathematical error made in
18 determining the levy; and

19 (3) published by the political subdivision according to a notice
20 provided by the department. ~~notice is given to the county fiscal~~
21 **body of the error and the department's correction.**

22 **If the department increases a levy beyond what was advertised or**
23 **adopted under this subsection, it shall, unless the department finds**
24 **extenuating circumstances, reduce the certified levy for each fund**
25 **affected below the maximum allowable levy by the lesser of five**
26 **percent (5%) of the difference between the advertised or adopted**
27 **levy and the increased levy, or one hundred thousand dollars**
28 **(\$100,000).**

29 (j) The department of local government finance shall annually
30 review the budget by fund of each school corporation not later than
31 April 1. The department of local government finance shall give the
32 school corporation written notification specifying any revision,
33 reduction, or increase the department proposes in the school
34 corporation's budget by fund. A public hearing is not required in
35 connection with this review of the budget.

36 SECTION 34. IC 6-1.1-18-22 IS ADDED TO THE INDIANA
37 CODE AS A NEW SECTION TO READ AS FOLLOWS
38 [EFFECTIVE UPON PASSAGE]: **Sec. 22. (a) As used in this section,**
39 **"qualified taxing unit" refers to the following taxing units:**

40 (1) **DeKalb County.**

41 (2) **The town of Middlebury in Elkhart County.**

42 (3) **The town of Lewisville in Henry County.**



1 **(4) The town of Mooreland in Henry County.**

2 **(b) Before July 1, 2014, the department shall calculate and**
 3 **certify to the fiscal body of a qualified taxing unit the result of:**

4 **(1) the amount of the property tax levy that could have been**
 5 **imposed for property taxes first due and payable in 2014, if**
 6 **the budgets and levies of the qualified taxing unit had been**
 7 **properly advertised; minus**

8 **(2) the amount of the property tax levy approved by the**
 9 **department under IC 6-1.1-17 for property taxes first due and**
 10 **payable in calendar year 2014, after reducing the qualified**
 11 **taxing unit's budget and property tax levy because the**
 12 **qualified taxing unit's budget and property tax levy**
 13 **information were not properly advertised.**

14 **(c) After receiving the certifications required under subsection**
 15 **(b), the fiscal body of a qualified taxing unit may adopt an**
 16 **ordinance authorizing the qualified taxing unit to borrow money**
 17 **from a financial institution to replace part or all of the amount**
 18 **certified under subsection (b).**

19 **(d) If a qualified taxing unit receives a loan under this section,**
 20 **the fiscal officer of the qualified taxing unit shall deposit the loan**
 21 **in each fund affected by the reduction of the qualified taxing unit's**
 22 **budget and property tax levy. The amount deposited may be used**
 23 **for any of the lawful purposes of that fund.**

24 **(e) If a qualified taxing unit borrows money under subsection**
 25 **(c), the qualified taxing unit shall impose a property tax levy in**
 26 **calendar year 2015 for the qualified taxing unit's debt service fund**
 27 **to repay the total amount borrowed. The property tax levy under**
 28 **this subsection must be treated as:**

29 **(1) protected taxes (as defined in IC 6-1.1-20.6-9.8); and**

30 **(2) property taxes that are exempt from the levy limitations of**
 31 **IC 6-1.1-18.5.**

32 **(f) This section expires June 30, 2016.**

33 SECTION 35. IC 6-1.1-18.5-8, AS AMENDED BY P.L.218-2013,
 34 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2014]: Sec. 8. (a) The ad valorem property tax levy limits
 36 imposed by section 3 of this chapter do not apply to ad valorem
 37 property taxes imposed by a civil taxing unit if the civil taxing unit is
 38 committed to levy the taxes to pay or fund either:

39 (1) bonded indebtedness; or

40 (2) lease rentals under a lease with an original term of at least five

41 (5) years.

42 However, this section does not apply to ad valorem property taxes



1 ~~imposed by a township to repay money borrowed under IC 36-6-6-14.~~

2 (b) Except as provided by subsections (g) and (h), a civil taxing unit
3 must file a petition requesting approval from the department of local
4 government finance to incur bonded indebtedness or execute a lease
5 with an original term of at least five (5) years not later than twenty-four
6 (24) months after the first date of publication of notice of a preliminary
7 determination under IC 6-1.1-20-3.1(2) (as in effect before July 1,
8 2008), unless the civil taxing unit demonstrates that a longer period is
9 reasonable in light of the civil taxing unit's facts and circumstances. A
10 civil taxing unit must obtain approval from the department of local
11 government finance before the civil taxing unit may:

- 12 (1) incur the bonded indebtedness; or
13 (2) enter into the lease.

14 (c) The department of local government finance shall render a
15 decision within three (3) months after the date it receives a request for
16 approval under subsection (b). However, the department of local
17 government finance may extend this three (3) month period by an
18 additional three (3) months if, at least ten (10) days before the end of
19 the original three (3) month period, the department sends notice of the
20 extension to the executive officer of the civil taxing unit. A civil taxing
21 unit may petition for judicial review of the final determination of the
22 department of local government finance under this section. The petition
23 must be filed in the tax court not more than forty-five (45) days after
24 the department enters its order under this section.

25 (d) A civil taxing unit does not need approval under subsection (b)
26 to obtain temporary loans made in anticipation of and to be paid from
27 current revenues of the civil taxing unit actually levied and in the
28 course of collection for the fiscal year in which the loans are made.

29 (e) For purposes of computing the ad valorem property tax levy
30 limits imposed on a civil taxing unit by section 3 of this chapter, the
31 civil taxing unit's ad valorem property tax levy for a calendar year does
32 not include that part of its levy that is committed to fund or pay bond
33 indebtedness or lease rentals with an original term of five (5) years in
34 subsection (a).

35 (f) A taxpayer may petition for judicial review of the final
36 determination of the department of local government finance under this
37 section. The petition must be filed in the tax court not more than thirty
38 (30) days after the department enters its order under this section.

39 (g) This subsection applies only to bonds, leases, and other
40 obligations for which a civil taxing unit:

- 41 (1) after June 30, 2008, makes a preliminary determination as
42 described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as



1 described in IC 6-1.1-20-5; or
 2 (2) in the case of bonds, leases, or other obligations payable from
 3 ad valorem property taxes but not described in subdivision (1),
 4 adopts a resolution or ordinance authorizing the bonds, lease
 5 rental agreement, or other obligations after June 30, 2008.

6 Notwithstanding any other provision, review by the department of local
 7 government finance and approval by the department of local
 8 government finance is not required before a civil taxing unit may issue
 9 or enter into bonds, a lease, or any other obligation.

10 (h) This subsection applies after June 30, 2008. Notwithstanding
 11 any other provision, review by the department of local government
 12 finance and approval by the department of local government finance is
 13 not required before a civil taxing unit may construct, alter, or repair a
 14 capital project.

15 SECTION 36. IC 6-1.1-43-1, AS AMENDED BY P.L.288-2013,
 16 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2014]: Sec. 1. This chapter applies to the following economic
 18 development incentive programs:

19 (1) Grants and loans provided by the Indiana economic
 20 development corporation under IC 5-28 or the office of tourism
 21 development under IC 5-29.

22 (2) Incentives provided in an economic revitalization area under
 23 IC 6-1.1-12.1.

24 (3) Incentives provided under IC 6-3.1-13 (**before its expiration**
 25 **January 1, 2022**).

26 SECTION 37. IC 6-3-3-5, AS AMENDED BY P.L.2-2007,
 27 SECTION 121, IS AMENDED TO READ AS FOLLOWS
 28 [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) At the election of the
 29 taxpayer, there shall be allowed, as a credit against the adjusted gross
 30 income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year,
 31 an amount (subject to the applicable limitations provided by this
 32 section) equal to fifty percent (50%) of the aggregate amount of
 33 charitable contributions made by such taxpayer during such year to
 34 postsecondary educational institutions located within Indiana
 35 (including any of its associated colleges in Indiana) or to any
 36 corporation or foundation organized and operated solely for the benefit
 37 of any postsecondary educational institution.

38 (b) In the case of a taxpayer other than a corporation, the amount
 39 allowable as a credit under this section for any taxable year shall not
 40 exceed one hundred dollars (\$100) in the case of a single return or two
 41 hundred dollars (\$200) in the case of a joint return.

42 (c) In the case of a corporation, the amount allowable as a credit



1 under this section for any taxable year shall not exceed:

2 (1) ten percent (10%) of such corporation's total adjusted gross
3 income tax under IC 6-3-1 through IC 6-3-7 for such year (as
4 determined without regard to any credits against that tax); or

5 (2) one thousand dollars (\$1,000);

6 whichever is less.

7 (d) A charitable contribution in Indiana qualifies for a credit under
8 this section only if the charitable contribution is made to a
9 postsecondary educational institution or a corporation or foundation
10 organized for the benefit of a postsecondary educational institution
11 that:

12 (1) normally maintains a regular faculty and curriculum and
13 normally has a regularly organized body of students in attendance
14 at the place where its educational activities are carried on;

15 (2) regularly offers education at a level above the twelfth grade;

16 (3) regularly awards either associate, bachelors, masters, or
17 doctoral degrees, or any combination thereof; and

18 (4) is duly accredited by the North Central Association of
19 Colleges and Schools, the Indiana state board of education, or the
20 American Association of Theological Schools.

21 (e) The credit allowed by this section shall not exceed the amount
22 of the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7
23 for the taxable year, reduced by the sum of all credits (as determined
24 without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

25 **(f) This section expires January 1, 2022.**

26 SECTION 38. IC 6-3-3-5.1, AS AMENDED BY P.L.2-2007,
27 SECTION 122, IS AMENDED TO READ AS FOLLOWS
28 [EFFECTIVE JULY 1, 2014]: Sec. 5.1. (a) At the election of the
29 taxpayer, a credit against the adjusted gross income tax imposed by
30 IC 6-3-1 through IC 6-3-7 for the taxable year, is permitted in an
31 amount (subject to the applicable limitations provided by this section)
32 equal to fifty percent (50%) of the aggregate amount of contributions
33 made by the taxpayer during the taxable year to the twenty-first century
34 scholars program support fund established under IC 21-12-7-1.

35 (b) In the case of a taxpayer other than a corporation, the amount
36 allowable as a credit under this section for any taxable year may not
37 exceed:

38 (1) one hundred dollars (\$100) in the case of a single return; or

39 (2) two hundred dollars (\$200) in the case of a joint return.

40 (c) In the case of a taxpayer that is a corporation, the amount
41 allowable as a credit under this section for any taxable year may not
42 exceed the lesser of the following amounts:

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1 (1) Ten percent (10%) of the corporation's total adjusted gross
 2 income tax under IC 6-3-1 through IC 6-3-7 for the taxable year
 3 (as determined without regard to any credits against that tax).

4 (2) One thousand dollars (\$1,000).

5 (d) The credit permitted under this section may not exceed the
 6 amount of the adjusted gross income tax imposed by IC 6-3-1 through
 7 IC 6-3-7 for the taxable year, reduced by the sum of all credits (as
 8 determined without regard to this section) allowed by IC 6-3-1 through
 9 IC 6-3-7.

10 **(e) This section expires January 1, 2022.**

11 SECTION 39. IC 6-3-3-9 IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The credit provided by this
 13 section shall be known as the unified tax credit for the elderly.

14 (b) As used in this section, unless the context clearly indicates
 15 otherwise:

16 (1) "Household federal adjusted gross income" means the total
 17 adjusted gross income, as defined in Section 62 of the Internal
 18 Revenue Code, of an individual, or of an individual and his **or**
 19 **her** spouse if they reside together for the taxable year for which
 20 the credit provided by this section is claimed.

21 (2) "Household" means a claimant or, if applicable, a claimant
 22 and his or her spouse if the spouse resides with the claimant and
 23 "household income" means the income of the claimant or, if
 24 applicable, the combined income of the claimant and his or her
 25 spouse if the spouse resides with the claimant.

26 (3) "Claimant" means an individual, other than an individual
 27 described in subsection (c) of this section, who:

28 (A) has filed a claim under this section;

29 (B) was a resident of this state for at least six (6) months
 30 during the taxable year for which he or she has filed a claim
 31 under this section; and

32 (C) was sixty-five (65) years of age during some portion of the
 33 taxable year for which ~~he~~ **the individual** has filed a claim
 34 under this section or whose spouse was either sixty-five (65)
 35 years of age or over during the taxable year.

36 (c) The credit provided under this section shall not apply to an
 37 individual who, for a period of at least one hundred eighty (180) days
 38 during the taxable year for which ~~he~~ **the individual** has filed a claim
 39 under this section, was incarcerated in a local, state, or federal
 40 correctional institution.

41 (d) The right to file a claim under this section shall be personal to
 42 the claimant and shall not survive ~~his~~ **the claimant's** death, except that



1 a surviving spouse of a claimant is entitled to claim the credit provided
 2 by this section. For purposes of determining the amount of the credit a
 3 surviving spouse is entitled to claim under this section, the deceased
 4 spouse shall be treated as having been alive on the last day of the
 5 taxable year in which the deceased spouse died. When a claimant dies
 6 after having filed a timely claim, the amount thereof shall be disbursed
 7 to another member of the household as determined by the
 8 commissioner. If the claimant was the only member of **his the**
 9 **claimant's** household, the claim may be paid to **his the claimant's**
 10 executor or administrator, but if neither is appointed and qualified
 11 within two (2) years of the filing of the claim, the amount of the claim
 12 shall escheat to the state.

13 (e) For each taxable year, subject to the limitations provided in this
 14 section, one (1) claimant per household may claim, as a credit against
 15 Indiana adjusted gross income taxes otherwise due, the credit provided
 16 by this section. If the allowable amount of the claim exceeds the
 17 income taxes otherwise due on the claimant's household income or if
 18 there are no Indiana income taxes due on such income, the amount of
 19 the claim not used as an offset against income taxes after audit by the
 20 department, at the taxpayer's option, shall be refunded to the claimant
 21 or taken as a credit against such taxpayer's income tax liability
 22 subsequently due.

23 (f) No claim filed pursuant to this section shall be allowed unless
 24 filed within six (6) months following the close of claimant's taxable
 25 year or within the extension period if an extension of time for filing the
 26 return has been granted under IC 6-8.1-6-1, whichever is later.

27 (g) The amount of any claim otherwise payable under this section
 28 may be applied by the department against any liability outstanding on
 29 the books of the department against the claimant, or against any other
 30 individual who was a member of **his the claimant's** household in the
 31 taxable year to which the claim relates.

32 (h) The amount of a claim filed pursuant to this section by a
 33 claimant that either (i) does not reside with **his the claimant's** spouse
 34 during the taxable year, or (ii) resides with **his the claimant's** spouse
 35 during the taxable year and only one (1) of them is sixty-five (65) years
 36 of age or older at the end of the taxable year, shall be determined in
 37 accordance with the following schedule:

38 HOUSEHOLD FEDERAL	
39 ADJUSTED GROSS INCOME	
40 FOR TAXABLE YEAR	CREDIT
41 less than \$1,000	\$100
42 at least \$1,000, but less than \$3,000	\$ 50



1 [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) As used in this section:

2 "Base period wages" means the following:

3 (1) In the case of a taxpayer other than a pass through entity,
4 wages paid or payable by a taxpayer to its employees during the
5 year that ends on the last day of the month that immediately
6 precedes the month in which an enterprise zone is established, to
7 the extent that the wages would have been qualified wages if the
8 enterprise zone had been in effect for that year. If the taxpayer did
9 not engage in an active trade or business during that year in the
10 area that is later designated as an enterprise zone, then the base
11 period wages equal zero (0). If the taxpayer engaged in an active
12 trade or business during only part of that year in an area that is
13 later designated as an enterprise zone, then the department shall
14 determine the amount of base period wages.

15 (2) In the case of a taxpayer that is a pass through entity, base
16 period wages equal zero (0).

17 "Enterprise zone" means an enterprise zone created under
18 IC 5-28-15.

19 "Enterprise zone adjusted gross income" means adjusted gross
20 income of a taxpayer that is derived from sources within an enterprise
21 zone. Sources of adjusted gross income shall be determined with
22 respect to an enterprise zone, to the extent possible, in the same manner
23 that sources of adjusted gross income are determined with respect to
24 the state of Indiana under IC 6-3-2-2.

25 "Enterprise zone gross income" means gross income of a taxpayer
26 that is derived from sources within an enterprise zone.

27 "Enterprise zone insurance premiums" means insurance premiums
28 derived from sources within an enterprise zone.

29 "Monthly base period wages" means base period wages divided by
30 twelve (12).

31 "Qualified employee" means an individual who is employed by a
32 taxpayer and who:

33 (1) has the individual's principal place of residence in the
34 enterprise zone in which the individual is employed;

35 (2) performs services for the taxpayer, ninety percent (90%) of
36 which are directly related to the conduct of the taxpayer's trade or
37 business that is located in an enterprise zone;

38 (3) performs at least fifty percent (50%) of the individual's
39 services for the taxpayer during the taxable year in the enterprise
40 zone; and

41 (4) in the case of an individual who is employed by a taxpayer
42 that is a pass through entity, was first employed by the taxpayer



- 1 after December 31, 1998.
- 2 "Qualified increased employment expenditures" means the
3 following:
- 4 (1) For a taxpayer's taxable year other than the taxpayer's taxable
5 year in which the enterprise zone is established, the amount by
6 which qualified wages paid or payable by the taxpayer during the
7 taxable year to qualified employees exceeds the taxpayer's base
8 period wages.
- 9 (2) For the taxpayer's taxable year in which the enterprise zone is
10 established, the amount by which qualified wages paid or payable
11 by the taxpayer during all of the full calendar months in the
12 taxpayer's taxable year that succeed the date on which the
13 enterprise zone was established exceed the taxpayer's monthly
14 base period wages multiplied by that same number of full
15 calendar months.
- 16 "Qualified state tax liability" means a taxpayer's total income tax
17 liability incurred under:
- 18 (1) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax) with
19 respect to enterprise zone adjusted gross income;
- 20 (2) IC 27-1-18-2 (insurance premiums tax) with respect to
21 enterprise zone insurance premiums; and
- 22 (3) IC 6-5.5 (the financial institutions tax);
- 23 as computed after the application of the credits that, under
24 IC 6-3.1-1-2, are to be applied before the credit provided by this
25 section.
- 26 "Qualified wages" means the wages paid or payable to qualified
27 employees during a taxable year.
- 28 "Taxpayer" includes a pass through entity.
- 29 (b) A taxpayer is entitled to a credit against the taxpayer's qualified
30 state tax liability for a taxable year in the amount of the lesser of:
- 31 (1) the product of ten percent (10%) multiplied by the qualified
32 increased employment expenditures of the taxpayer for the
33 taxable year; or
- 34 (2) one thousand five hundred dollars (\$1,500) multiplied by the
35 number of qualified employees employed by the taxpayer during
36 the taxable year.
- 37 (c) The amount of the credit provided by this section that a taxpayer
38 uses during a particular taxable year may not exceed the taxpayer's
39 qualified state tax liability for the taxable year. If the credit provided by
40 this section exceeds the amount of that tax liability for the taxable year
41 it is first claimed, then the excess may be carried back to preceding
42 taxable years or carried over to succeeding taxable years and used as



1 a credit against the taxpayer's qualified state tax liability for those
 2 taxable years. Each time that the credit is carried back to a preceding
 3 taxable year or carried over to a succeeding taxable year, the amount
 4 of the carryover is reduced by the amount used as a credit for that
 5 taxable year. Except as provided in subsection (e), the credit provided
 6 by this section may be carried forward and applied in the ten (10)
 7 taxable years that succeed the taxable year in which the credit accrues.
 8 The credit provided by this section may be carried back and applied in
 9 the three (3) taxable years that precede the taxable year in which the
 10 credit accrues.

11 (d) A credit earned by a taxpayer in a particular taxable year shall
 12 be applied against the taxpayer's qualified state tax liability for that
 13 taxable year before any credit carryover or carryback is applied against
 14 that liability under subsection (c).

15 (e) Notwithstanding subsection (c), if a credit under this section
 16 results from wages paid in a particular enterprise zone, and if that
 17 enterprise zone terminates in a taxable year that succeeds the last
 18 taxable year in which a taxpayer is entitled to use the credit carryover
 19 that results from those wages under subsection (c), then the taxpayer
 20 may use the credit carryover for any taxable year up to and including
 21 the taxable year in which the enterprise zone terminates.

22 (f) A taxpayer is not entitled to a refund of any unused credit.

23 (g) A taxpayer that:

- 24 (1) does not own, rent, or lease real property outside of an
- 25 enterprise zone that is an integral part of its trade or business; and
- 26 (2) is not owned or controlled directly or indirectly by a taxpayer
- 27 that owns, rents, or leases real property outside of an enterprise
- 28 zone;

29 is exempt from the allocation and apportionment provisions of this
 30 section.

31 (h) If a pass through entity is entitled to a credit under subsection (b)
 32 but does not have state tax liability against which the tax credit may be
 33 applied, an individual who is a shareholder, partner, beneficiary, or
 34 member of the pass through entity is entitled to a tax credit equal to:

- 35 (1) the tax credit determined for the pass through entity for the
- 36 taxable year; multiplied by
- 37 (2) the percentage of the pass through entity's distributive income
- 38 to which the shareholder, partner, beneficiary, or member is
- 39 entitled.

40 The credit provided under this subsection is in addition to a tax credit
 41 to which a shareholder, partner, beneficiary, or member of a pass
 42 through entity is entitled. However, a pass through entity and an



1 individual who is a shareholder, partner, beneficiary, or member of a
 2 pass through entity may not claim more than one (1) credit for the
 3 qualified expenditure.

4 **(i) This section expires January 1, 2022.**

5 SECTION 41. IC 6-3-3-12, AS AMENDED BY P.L.182-2009(ss),
 6 SECTION 198, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2014]: Sec. 12. (a) As used in this section,
 8 "account" has the meaning set forth in IC 21-9-2-2.

9 (b) As used in this section, "account beneficiary" has the meaning
 10 set forth in IC 21-9-2-3.

11 (c) As used in this section, "account owner" has the meaning set
 12 forth in IC 21-9-2-4.

13 (d) As used in this section, "college choice 529 education savings
 14 plan" refers to a college choice 529 investment plan established under
 15 IC 21-9.

16 (e) As used in this section, "contribution" means the amount of
 17 money directly provided to a college choice 529 education savings plan
 18 account by a taxpayer. A contribution does not include any of the
 19 following:

20 (1) Money credited to an account as a result of bonus points or
 21 other forms of consideration earned by the taxpayer that result in
 22 a transfer of money to the account.

23 (2) Money transferred from any other qualified tuition program
 24 under Section 529 of the Internal Revenue Code or from any other
 25 similar plan.

26 (f) As used in this section, "nonqualified withdrawal" means a
 27 withdrawal or distribution from a college choice 529 education savings
 28 plan that is not a qualified withdrawal.

29 (g) As used in this section, "qualified higher education expenses"
 30 has the meaning set forth in IC 21-9-2-19.5.

31 (h) As used in this section, "qualified withdrawal" means a
 32 withdrawal or distribution from a college choice 529 education savings
 33 plan that is made:

34 (1) to pay for qualified higher education expenses, excluding any
 35 withdrawals or distributions used to pay for qualified higher
 36 education expenses if the withdrawals or distributions are made
 37 from an account of a college choice 529 education savings plan
 38 that is terminated within twelve (12) months after the account is
 39 opened;

40 (2) as a result of the death or disability of an account beneficiary;

41 (3) because an account beneficiary received a scholarship that
 42 paid for all or part of the qualified higher education expenses of



- 1 the account beneficiary, to the extent that the withdrawal or
 2 distribution does not exceed the amount of the scholarship; or
 3 (4) by a college choice 529 education savings plan as the result of
 4 a transfer of funds by a college choice 529 education savings plan
 5 from one (1) third party custodian to another.
- 6 A qualified withdrawal does not include a rollover distribution or
 7 transfer of assets from a college choice 529 education savings plan to
 8 any other qualified tuition program under Section 529 of the Internal
 9 Revenue Code or to any other similar plan.
- 10 (i) As used in this section, "taxpayer" means:
 11 (1) an individual filing a single return; or
 12 (2) a married couple filing a joint return.
- 13 (j) A taxpayer is entitled to a credit against the taxpayer's adjusted
 14 gross income tax imposed by IC 6-3-1 through IC 6-3-7 for a taxable
 15 year equal to the least of the following:
 16 (1) Twenty percent (20%) of the amount of the total contributions
 17 made by the taxpayer to an account or accounts of a college
 18 choice 529 education savings plan during the taxable year.
 19 (2) One thousand dollars (\$1,000).
 20 (3) The amount of the taxpayer's adjusted gross income tax
 21 imposed by IC 6-3-1 through IC 6-3-7 for the taxable year,
 22 reduced by the sum of all credits (as determined without regard to
 23 this section) allowed by IC 6-3-1 through IC 6-3-7.
- 24 (k) A taxpayer is not entitled to a carryback, carryover, or refund of
 25 an unused credit.
- 26 (l) A taxpayer may not sell, assign, convey, or otherwise transfer the
 27 tax credit provided by this section.
- 28 (m) To receive the credit provided by this section, a taxpayer must
 29 claim the credit on the taxpayer's annual state tax return or returns in
 30 the manner prescribed by the department. The taxpayer shall submit to
 31 the department all information that the department determines is
 32 necessary for the calculation of the credit provided by this section.
- 33 (n) An account owner of an account of a college choice 529
 34 education savings plan must repay all or a part of the credit in a taxable
 35 year in which any nonqualified withdrawal is made from the account.
 36 The amount the taxpayer must repay is equal to the lesser of:
 37 (1) twenty percent (20%) of the total amount of nonqualified
 38 withdrawals made during the taxable year from the account; or
 39 (2) the excess of:
 40 (A) the cumulative amount of all credits provided by this
 41 section that are claimed by any taxpayer with respect to the
 42 taxpayer's contributions to the account for all prior taxable



- 1 years beginning on or after January 1, 2007; over
 2 (B) the cumulative amount of repayments paid by the account
 3 owner under this subsection for all prior taxable years
 4 beginning on or after January 1, 2008.
- 5 (o) Any required repayment under subsection (o) shall be reported
 6 by the account owner on the account owner's annual state income tax
 7 return for any taxable year in which a nonqualified withdrawal is made.
- 8 (p) A nonresident account owner who is not required to file an
 9 annual income tax return for a taxable year in which a nonqualified
 10 withdrawal is made shall make any required repayment on the form
 11 required under IC 6-3-4-1(2). If the nonresident account owner does
 12 not make the required repayment, the department shall issue a demand
 13 notice in accordance with IC 6-8.1-5-1.
- 14 (q) The executive director of the Indiana education savings authority
 15 shall submit or cause to be submitted to the department a copy of all
 16 information returns or statements issued to account owners, account
 17 beneficiaries, and other taxpayers for each taxable year with respect to:
- 18 (1) nonqualified withdrawals made from accounts of a college
 19 choice 529 education savings plan for the taxable year; or
 20 (2) account closings for the taxable year.
- 21 **(r) This section expires January 1, 2022.**
- 22 SECTION 42. IC 6-3.1-1-3, AS AMENDED BY P.L.288-2013,
 23 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2014]: Sec. 3. A taxpayer (as defined in the following laws),
 25 pass through entity (as defined in the following laws), or shareholder,
 26 partner, or member of a pass through entity may not be granted more
 27 than one (1) tax credit under the following laws for the same project:
- 28 (1) IC 6-3.1-10 (enterprise zone investment cost credit) **(before**
 29 **its expiration January 1, 2022).**
- 30 (2) IC 6-3.1-11 (industrial recovery tax credit) **(before its**
 31 **expiration January 1, 2022).**
- 32 (3) IC 6-3.1-19 (community revitalization enhancement district
 33 tax credit) **(before its expiration January 1, 2022).**
- 34 (4) IC 6-3.1-24 (venture capital investment tax credit) **(before its**
 35 **expiration January 1, 2022).**
- 36 (5) IC 6-3.1-26 (Hoosier business investment tax credit) **(before**
 37 **its expiration January 1, 2022).**
- 38 (6) IC 6-3.1-31.9 (Hoosier alternative fuel vehicle manufacturer
 39 tax credit) **(before its expiration January 1, 2022).**
- 40 If a taxpayer, pass through entity, or shareholder, partner, or member
 41 of a pass through entity has been granted more than one (1) tax credit
 42 for the same project, the taxpayer, pass through entity, or shareholder,



1 partner, or member of a pass through entity must elect to apply only
 2 one (1) of the tax credits in the manner and form prescribed by the
 3 department.

4 SECTION 43. IC 6-3.1-2-2 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) Subject to the
 6 limitation established in sections 4 and 5 of this chapter, a taxpayer that
 7 employs an eligible teacher in a qualified position during a school
 8 summer recess is entitled to a tax credit against ~~his~~ **the taxpayer's** state
 9 income tax liability as provided for under section 3 of this chapter.

10 **(b) This chapter expires January 1, 2022.**

11 SECTION 44. IC 6-3.1-4-3, AS ADDED BY P.L.197-2005,
 12 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2014]: Sec. 3. (a) The amount of the credit provided by this
 14 chapter that a taxpayer uses during a particular taxable year may not
 15 exceed the sum of the taxes imposed by IC 6-3 for the taxable year after
 16 the application of all credits that under IC 6-3.1-1-2 are to be applied
 17 before the credit provided by this chapter. If the credit provided by this
 18 chapter exceeds that sum for the taxable year for which the credit is
 19 first claimed, then the excess may be carried over to succeeding taxable
 20 years and used as a credit against the tax otherwise due and payable by
 21 the taxpayer under IC 6-3 during those taxable years. Each time that the
 22 credit is carried over to a succeeding taxable year, it is to be reduced by
 23 the amount which was used as a credit during the immediately
 24 preceding taxable year. The credit provided by this chapter may be
 25 carried forward and applied to succeeding taxable years for ten (10)
 26 taxable years following the unused credit year.

27 (b) A credit earned by a taxpayer in a particular taxable year shall
 28 be applied against the taxpayer's tax liability for that taxable year
 29 before any credit carryover is applied against that liability under
 30 subsection (a).

31 (c) A taxpayer is not entitled to any carryback or refund of any
 32 unused credit.

33 **(d) This chapter expires January 1, 2022.**

34 SECTION 45. IC 6-3.1-6-2 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A taxpayer who
 36 enters into an agreement is entitled to receive an income tax credit for
 37 a taxable year equal to:

38 (1) the taxpayer's state income tax liability for the taxable year;

39 (2) an amount equal to the sum of:

40 (A) fifty percent (50%) of any investment in qualified property
 41 made by the taxpayer during the taxable year as part of the
 42 agreement; plus



1 (B) twenty-five percent (25%) of the wages paid to inmates
 2 during the taxable year as part of the agreement; or
 3 (3) one hundred thousand dollars (\$100,000);
 4 whichever is least.

5 (b) A tax credit shall be allowed under this chapter only for the
 6 taxable year of the taxpayer during which:

7 (1) the investment in qualified property is made in accordance
 8 with Section 38 of the Internal Revenue Code; or

9 (2) the wages are paid to inmates;
 10 as part of an agreement.

11 **(c) This chapter expires January 1, 2022.**

12 SECTION 46. IC 6-3.1-7-3 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) If the amount
 14 determined under section 2(b) of this chapter for a particular taxpayer
 15 and a particular taxable year exceeds the taxpayer's state tax liability
 16 for that taxable year, then the taxpayer may carry the excess over to the
 17 immediately succeeding taxable years. Except as provided in
 18 subsection (b), the credit carryover may not be used for any taxable
 19 year that begins more than ten (10) years after the date on which the
 20 qualified loan from which the credit results is made. The amount of the
 21 credit carryover from a taxable year shall be reduced to the extent that
 22 the carryover is used by the taxpayer to obtain a credit under this
 23 chapter for any subsequent taxable year.

24 (b) Notwithstanding subsection (a), if a loan is a qualified loan as
 25 the result of the use of the loan proceeds in a particular enterprise zone,
 26 and if the phase-out period of that enterprise zone terminates in a
 27 taxable year that succeeds the last taxable year in which a taxpayer is
 28 entitled to use credit carryover that results from that loan under
 29 subsection (a), then the taxpayer may use the credit carryover for any
 30 taxable year up to and including the taxable year in which the
 31 phase-out period of the enterprise zone terminates.

32 **(c) This chapter expires January 1, 2022.**

33 SECTION 47. IC 6-3.1-9-6 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) A tax credit shall
 35 be allowable under this chapter only for the taxable year of the taxpayer
 36 in which the contribution qualifying for the credit is paid or
 37 permanently set aside in a special account for the approved program or
 38 purpose.

39 **(b) This chapter expires January 1, 2022.**

40 SECTION 48. IC 6-3.1-10-7 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) If the amount
 42 determined under section 6(b) of this chapter for a taxpayer in a taxable



1 year exceeds the taxpayer's state tax liability for that taxable year, the
 2 taxpayer may carry the excess over to the following taxable years. The
 3 amount of the credit carryover from a taxable year shall be reduced to
 4 the extent that the carryover is used by the taxpayer to obtain a credit
 5 under this chapter for any subsequent taxable year.

6 (b) A taxpayer is not entitled to a carryback or refund of any unused
 7 credit.

8 **(c) This chapter expires January 1, 2022.**

9 SECTION 49. IC 6-3.1-11-17 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) If the amount
 11 determined under section 16(b) of this chapter for a taxable year
 12 exceeds the taxpayer's state tax liability for that taxable year, the
 13 taxpayer may carry the excess over to the immediately following
 14 taxable years. The amount of the credit carryover from a taxable year
 15 shall be reduced to the extent that the carryover is used by the taxpayer
 16 to obtain a credit under this chapter for any subsequent taxable year.

17 (b) A taxpayer is not entitled to a carryback or refund of any unused
 18 credit.

19 **(c) This chapter expires January 1, 2022.**

20 SECTION 50. IC 6-3.1-13-13, AS AMENDED BY P.L.4-2005,
 21 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2014]: Sec. 13. (a) The corporation may make credit awards
 23 under this chapter to foster job creation in Indiana or, as provided in
 24 section 15.5 of this chapter, job retention in Indiana.

25 (b) The credit shall be claimed for the taxable years specified in the
 26 taxpayer's tax credit agreement.

27 **(c) This chapter expires January 1, 2022.**

28 SECTION 51. IC 6-3.1-17-9 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The amount of
 30 tax credits allowed under this chapter may not exceed one million
 31 dollars (\$1,000,000) in a state fiscal year.

32 (b) The department shall record the time of filing of each
 33 application for allowance of a credit under section 8 of this chapter and
 34 shall approve the applications, if they otherwise qualify for a tax credit
 35 under this chapter, in the chronological order in which the applications
 36 are filed in the state fiscal year.

37 (c) When the total credits approved under this section equal the
 38 maximum amount allowable in a state fiscal year, no application
 39 thereafter filed for that same fiscal year shall be approved. However,
 40 if an applicant for whom a credit has been approved fails to file the
 41 statement of proof of payment required under section 8 of this chapter,
 42 an amount equal to the credit previously allowed or set aside for the



1 applicant may be allowed to any subsequent applicant in the year. In
 2 addition, the department may, if the applicant so requests, approve a
 3 credit application, in whole or in part, with respect to the next
 4 succeeding state fiscal year.

5 **(d) This chapter expires January 1, 2022.**

6 SECTION 52. IC 6-3.1-13-26, AS AMENDED BY P.L.4-2005,
 7 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2014]: Sec. 26. (a) The economic development for a growing
 9 economy fund is established to be used exclusively for the purposes of
 10 this chapter and IC 6-3.1-26 **(before its expiration January 1, 2022)**,
 11 including paying for the costs of administering this chapter and
 12 IC 6-3.1-26 **(before its expiration January 1, 2022)**. The fund shall
 13 be administered by the corporation.

14 (b) The fund consists of collected fees, appropriations from the
 15 general assembly, and gifts and grants to the fund.

16 (c) The treasurer of state shall invest the money in the fund not
 17 currently needed to meet the obligations of the fund in the same
 18 manner as other public funds may be invested. Interest that accrues
 19 from these investments shall be deposited in the fund.

20 (d) The money in the fund at the end of a state fiscal year does not
 21 revert to the state general fund but remains in the fund to be used
 22 exclusively for the purposes of this chapter. Expenditures from the fund
 23 are subject to appropriation by the general assembly and approval by
 24 the budget agency.

25 SECTION 53. IC 6-3.1-16-13 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) If the credit
 27 provided by this chapter exceeds a taxpayer's state tax liability for the
 28 taxable year for which the credit is first claimed, the excess may be
 29 carried over to succeeding taxable years and used as a credit against the
 30 tax otherwise due and payable by the taxpayer under IC 6-3 during
 31 those taxable years. Each time that the credit is carried over to a
 32 succeeding taxable year, the credit is to be reduced by the amount that
 33 was used as a credit during the immediately preceding taxable year.
 34 The credit provided by this chapter may be carried forward and applied
 35 to succeeding taxable years for fifteen (15) taxable years following the
 36 unused credit year.

37 (b) A credit earned by a taxpayer in a particular taxable year shall
 38 be applied against the taxpayer's tax liability for that taxable year
 39 before any credit carryover is applied against that liability under
 40 subsection (a).

41 (c) A taxpayer is not entitled to any carryback or refund of any
 42 unused credit.



1 **(d) This chapter expires January 1, 2022.**

2 SECTION 54. IC 6-3.1-18-11 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. **(a)** A tax credit
4 shall be allowable under this chapter only for the taxable year of the
5 taxpayer in which the contribution qualifying for the credit is paid.

6 **(b) This chapter expires January 1, 2022.**

7 SECTION 55. IC 6-3.1-19-3, AS AMENDED BY P.L.172-2011,
8 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JULY 1, 2014]: Sec. 3. **(a)** Except as provided in section 5 of this
10 chapter, a taxpayer is entitled to a credit against the taxpayer's state and
11 local tax liability for a taxable year if the taxpayer makes a qualified
12 investment in that year.

13 **(b)** The amount of the credit to which a taxpayer is entitled is the
14 qualified investment made by the taxpayer during the taxable year
15 multiplied by twenty-five percent (25%).

16 **(c)** A taxpayer may assign any part of the credit to which the
17 taxpayer is entitled under this chapter to a lessee of property
18 redeveloped or rehabilitated under section 2 of this chapter. A credit
19 that is assigned under this subsection remains subject to this chapter.

20 **(d)** An assignment under subsection (c) must be in writing and both
21 the taxpayer and the lessee must report the assignment on their state tax
22 return for the year in which the assignment is made, in the manner
23 prescribed by the department. The taxpayer may not receive value in
24 connection with the assignment under subsection (c) that exceeds the
25 value of the part of the credit assigned.

26 **(e)** If a pass through entity is entitled to a credit under this chapter
27 but does not have state and local tax liability against which the tax
28 credit may be applied, a shareholder, partner, or member of the pass
29 through entity is entitled to a tax credit equal to:

30 (1) the tax credit determined for the pass through entity for the
31 taxable year; multiplied by

32 (2) the percentage of the pass through entity's distributive income
33 to which the shareholder, partner, or member is entitled.

34 The credit provided under this subsection is in addition to a tax credit
35 to which a shareholder, partner, or member of a pass through entity is
36 otherwise entitled under this chapter. However, a pass through entity
37 and an individual who is a shareholder, partner, or member of the pass
38 through entity may not claim more than one (1) credit for the same
39 investment.

40 **(f)** A taxpayer that is otherwise entitled to a credit under this chapter
41 for a taxable year may claim the credit regardless of whether any
42 income tax incremental amount or gross retail incremental amount has



- 1 been:
- 2 (1) deposited in the incremental tax financing fund established for
- 3 the community revitalization enhancement district; or
- 4 (2) allocated to the district.
- 5 **(g) This chapter expires January 1, 2022.**
- 6 SECTION 56. IC 6-3.1-20-4, AS AMENDED BY P.L.13-2013,
- 7 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 8 JULY 1, 2014]: Sec. 4. (a) Except as provided in subsection (b), an
- 9 individual is entitled to a credit under this chapter if:
- 10 (1) the individual's earned income for the taxable year is less than
- 11 eighteen thousand six hundred dollars (\$18,600); and
- 12 (2) the individual pays property taxes in the taxable year on a
- 13 homestead that:
- 14 (A) the individual:
- 15 (i) owns; or
- 16 (ii) is buying under a contract that requires the individual to
- 17 pay property taxes on the homestead, if the contract or a
- 18 memorandum of the contract is recorded in the county
- 19 recorder's office; and
- 20 (B) is located in a county having a population of more than
- 21 four hundred thousand (400,000) but less than seven hundred
- 22 thousand (700,000).
- 23 (b) An individual is not entitled to a credit under this chapter for a
- 24 taxable year for property taxes paid on the individual's homestead if the
- 25 individual claims the deduction under IC 6-3-1-3.5(a)(15) for the
- 26 homestead for that same taxable year.
- 27 **(c) This chapter expires January 1, 2022.**
- 28 SECTION 57. IC 6-3.1-21-8, AS AMENDED BY P.L.172-2011,
- 29 SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 30 JULY 1, 2014]: Sec. 8. (a) To obtain a credit under this chapter, a
- 31 taxpayer must claim the advance payment or credit in the manner
- 32 prescribed by the department of state revenue. The taxpayer shall
- 33 submit to the department of state revenue all information that the
- 34 department of state revenue determines is necessary for the calculation
- 35 of the credit provided by this chapter.
- 36 **(b) This chapter expires January 1, 2022.**
- 37 SECTION 58. IC 6-3.1-22-14 IS AMENDED TO READ AS
- 38 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. (a) If the credit
- 39 provided by this chapter exceeds a taxpayer's state tax liability for the
- 40 taxable year for which the credit is first claimed, the excess may be
- 41 carried over to succeeding taxable years and used as a credit against the
- 42 tax otherwise due and payable by the taxpayer under IC 6-3 during



1 those taxable years. Each time that the credit is carried over to a
 2 succeeding taxable year, the credit is to be reduced by the amount that
 3 was used as a credit during the immediately preceding taxable year.
 4 The credit provided by this chapter may be carried forward and applied
 5 to succeeding taxable years for fifteen (15) taxable years following the
 6 unused credit year.

7 (b) A credit earned by a taxpayer in a particular taxable year shall
 8 be applied against the taxpayer's tax liability for that taxable year
 9 before any credit carryover is applied against that liability under
 10 subsection (a).

11 (c) A taxpayer is not entitled to any carryback or refund of any
 12 unused credit.

13 **(d) This chapter expires January 1, 2022.**

14 SECTION 59. IC 6-3.1-24-9, AS AMENDED BY P.L.288-2013,
 15 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2014]: Sec. 9. (a) The total amount of tax credits that may be
 17 approved by the corporation under this chapter in a particular calendar
 18 year for qualified investment capital provided during that calendar year
 19 may not exceed twelve million five hundred thousand dollars
 20 (\$12,500,000). An amount of an unused credit carried over by a
 21 taxpayer from a previous calendar year may not be considered in
 22 determining the amount of proposed investments that the Indiana
 23 economic development corporation may certify under this chapter.

24 (b) Notwithstanding the other provisions of this chapter, a taxpayer
 25 is not entitled to a credit for providing qualified investment capital to
 26 a qualified Indiana business after December 31, ~~2016~~. **2021**. However,
 27 this subsection may not be construed to prevent a taxpayer from
 28 carrying over to a taxable year beginning after December 31, ~~2016~~;
 29 **2021**, an unused tax credit attributable to an investment occurring
 30 before January 1, ~~2017~~. **2022**.

31 SECTION 60. IC 6-3.1-24-12, AS AMENDED BY P.L.193-2005,
 32 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2014]: Sec. 12. (a) If the amount of the credit determined
 34 under section 10 of this chapter for a taxpayer in a taxable year exceeds
 35 the taxpayer's state tax liability for that taxable year, the taxpayer may
 36 carry the excess credit over for a period not to exceed the taxpayer's
 37 following five (5) taxable years. The amount of the credit carryover
 38 from a taxable year shall be reduced to the extent that the carryover is
 39 used by the taxpayer to obtain a credit under this chapter for any
 40 subsequent taxable year. A taxpayer is not entitled to a carryback or a
 41 refund of any unused credit amount.

42 **(b) This chapter expires January 1, 2022.**



1 SECTION 61. IC 6-3.1-26-3 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. As used in this
 3 chapter, "director" has the meaning set forth in IC 6-3.1-13-3 (**before**
 4 **its expiration January 1, 2022**).

5 SECTION 62. IC 6-3.1-26-6 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. As used in this
 7 chapter, "new employee" has the meaning set forth in IC 6-3.1-13-6
 8 (**before its expiration January 1, 2022**).

9 SECTION 63. IC 6-3.1-26-26, AS AMENDED BY P.L.137-2012,
 10 SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2014]: Sec. 26. (a) This chapter applies to taxable years
 12 beginning after December 31, 2003.

13 (b) Notwithstanding the other provisions of this chapter, the
 14 corporation may not approve a credit for a qualified investment made
 15 after December 31, ~~2016~~ **2021**. However, this section may not be
 16 construed to prevent a taxpayer from carrying an unused tax credit
 17 attributable to a qualified investment made before January 1, ~~2017~~,
 18 **2022**, forward to a taxable year beginning after December 31, ~~2016~~,
 19 **2021**, in the manner provided by section 15 of this chapter.

20 **(c) This chapter expires January 1, 2022.**

21 SECTION 64. IC 6-3.1-29-21, AS ADDED BY P.L.191-2005,
 22 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2014]: Sec. 21. (a) To receive the credit awarded by this
 24 chapter, a taxpayer must claim the credit on the taxpayer's annual state
 25 tax return or returns in the manner prescribed by the department. The
 26 taxpayer shall submit to the department a copy of the commission's
 27 determination required under section 19 of this chapter, a copy of the
 28 taxpayer's certificate of compliance issued under section 19 of this
 29 chapter, and all information that the department determines is
 30 necessary for the calculation of the credit provided by this chapter.

31 **(b) This chapter expires January 1, 2022.**

32 SECTION 65. IC 6-3.1-30-11, AS ADDED BY P.L.193-2005,
 33 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2014]: Sec. 11. (a) If the credit provided by this chapter
 35 exceeds the taxpayer's state tax liability for the taxable year for which
 36 the credit is first claimed, the excess may be carried forward to
 37 succeeding taxable years and used as a credit against the taxpayer's
 38 state tax liability during those taxable years. Each time that the credit
 39 is carried forward to a succeeding taxable year, the credit is to be
 40 reduced by the amount that was used as a credit during the immediately
 41 preceding taxable year. The credit provided by this chapter may be
 42 carried forward and applied to succeeding taxable years for nine (9)



1 taxable years following the unused credit year.

2 (b) A taxpayer is not entitled to any carryback or refund of any
3 unused credit.

4 **(c) This chapter expires January 1, 2022.**

5 SECTION 66. IC 6-3.1-30.5-9.5, AS ADDED BY P.L.211-2013,
6 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2014]: Sec. 9.5. (a) This section applies to a taxpayer that is
8 entitled to a tax credit under this chapter for a taxable year beginning
9 after December 31, 2012.

10 (b) If the credit provided by this chapter exceeds the taxpayer's state
11 tax liability for the taxable year for which the credit is first claimed, the
12 excess may be carried forward to succeeding taxable years and used as
13 a credit against the taxpayer's state tax liability during those taxable
14 years. Each time the credit is carried forward to a succeeding taxable
15 year, the credit is reduced by the amount that was used as a credit
16 during the immediately preceding taxable year. The credit provided by
17 this chapter may be carried forward and applied to succeeding taxable
18 years for nine (9) taxable years following the unused credit year.

19 (c) A taxpayer is not entitled to a carryback or refund of any unused
20 credit.

21 **(d) This section expires January 1, 2022.**

22 SECTION 67. IC 6-3.1-31.9-4, AS ADDED BY P.L.223-2007,
23 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JULY 1, 2014]: Sec. 4. As used in this chapter, "director" has the
25 meaning set forth in IC 6-3.1-13-3 (**before its expiration January 1,**
26 **2022**).

27 SECTION 68. IC 6-3.1-31.9-6, AS ADDED BY P.L.223-2007,
28 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2014]: Sec. 6. As used in this chapter, "new employee" has the
30 meaning set forth in IC 6-3.1-13-6 (**before its expiration January 1,**
31 **2022**).

32 SECTION 69. IC 6-3.1-31.9-23, AS AMENDED BY P.L.137-2012,
33 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2014]: Sec. 23. (a) This chapter applies to taxable years
35 beginning after December 31, 2006.

36 (b) Notwithstanding the other provisions of this chapter, the
37 corporation may not approve an alternative fuel vehicle manufacturing
38 credit for a qualified investment made after December 31, ~~2016~~ **2021**.
39 However, this section may not be construed to prevent a taxpayer from
40 carrying an unused tax credit attributable to a qualified investment
41 made before January 1, ~~2017~~ **2022**, forward to a taxable year
42 beginning after December 31, ~~2016~~ **2021**, in the manner provided by



1 section 13 of this chapter.

2 **(c) This chapter expires January 1, 2022.**

3 SECTION 70. IC 6-3.1-33-5, AS ADDED BY P.L.110-2010,
4 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2014]: Sec. 5. As used in this chapter, "qualified employee"
6 means an individual who is:

- 7 (1) a full-time employee (as defined in IC 6-3.1-13-4, **before its**
8 **expiration January 1, 2022**) first hired by a new Indiana
9 business during the period specified in section 10(b) of this
10 chapter;
11 (2) a resident of Indiana; and
12 (3) not more than a five percent (5%) shareholder, partner,
13 member, or owner of the applicant;

14 as determined by the IEDC. The term does not include rehired
15 individuals, individuals employed to fill positions vacated as the result
16 of a layoff that occurred during the previous two (2) years, or
17 individuals employed in the same business operation before and after
18 a change of business ownership.

19 SECTION 71. IC 6-3.1-34.6-1, AS ADDED BY P.L.277-2013,
20 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2014]: Sec. 1. (a) Subject to subsection (b), this chapter
22 applies to taxable years beginning after December 31, 2013.

23 (b) A person is not entitled to a tax credit for placing a qualified
24 vehicle into service after December 31, ~~2016~~ **2021**. However, this
25 subsection may not be construed to prevent a person from carrying an
26 unused tax credit attributable to a qualified vehicle placed into service
27 before January 1, ~~2017~~ **2022**, forward to a taxable year beginning after
28 December 31, ~~2016~~ **2021**, in the manner provided by section 13 of this
29 chapter.

30 **(c) This chapter expires January 1, 2022.**

31 SECTION 72. IC 6-3.5-1.1-18, AS AMENDED BY P.L.146-2008,
32 SECTION 330, IS AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE JULY 1, 2014]: Sec. 18. (a) Except as otherwise
34 provided in this chapter, all provisions of the adjusted gross income tax
35 law (IC 6-3) concerning:

- 36 (1) definitions;
37 (2) declarations of estimated tax;
38 (3) filing of returns;
39 (4) remittances;
40 (5) incorporation of the provisions of the Internal Revenue Code;
41 (6) penalties and interest;
42 (7) exclusion of military pay credits for withholding; and



1 (8) exemptions and deductions;
 2 apply to the imposition, collection, and administration of the tax
 3 imposed by this chapter.

4 (b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5
 5 **(before its expiration January 1, 2022)**, and IC 6-3-5-1 do not apply
 6 to the tax imposed by this chapter.

7 (c) Notwithstanding subsections (a) and (b), each employer shall
 8 report to the department the amount of withholdings attributable to
 9 each county. This report shall be submitted to the department:

10 (1) each time the employer remits to the department the tax that
 11 is withheld; and

12 (2) annually along with the employer's annual withholding report.

13 SECTION 73. IC 6-3.5-6-22, AS AMENDED BY P.L.146-2008,
 14 SECTION 340, IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2014]: Sec. 22. (a) Except as otherwise
 16 provided in subsection (b) and the other provisions of this chapter, all
 17 provisions of the adjusted gross income tax law (IC 6-3) concerning:

18 (1) definitions;

19 (2) declarations of estimated tax;

20 (3) filing of returns;

21 (4) deductions or exemptions from adjusted gross income;

22 (5) remittances;

23 (6) incorporation of the provisions of the Internal Revenue Code;

24 (7) penalties and interest; and

25 (8) exclusion of military pay credits for withholding;

26 apply to the imposition, collection, and administration of the tax
 27 imposed by this chapter.

28 (b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5
 29 **(before its expiration January 1, 2022)**, and IC 6-3-5-1 do not apply
 30 to the tax imposed by this chapter.

31 (c) Notwithstanding subsections (a) and (b), each employer shall
 32 report to the department the amount of withholdings attributable to
 33 each county. This report shall be submitted to the department:

34 (1) each time the employer remits to the department the tax that
 35 is withheld; and

36 (2) annually along with the employer's annual withholding report.

37 SECTION 74. IC 6-3.5-7-18, AS AMENDED BY P.L.146-2008,
 38 SECTION 348, IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2014]: Sec. 18. (a) Except as otherwise
 40 provided in this chapter, all provisions of the adjusted gross income tax
 41 law (IC 6-3) concerning:

42 (1) definitions;



- 1 (2) declarations of estimated tax;
 2 (3) filing of returns;
 3 (4) remittances;
 4 (5) incorporation of the provisions of the Internal Revenue Code;
 5 (6) penalties and interest;
 6 (7) exclusion of military pay credits for withholding; and
 7 (8) exemptions and deductions;
 8 apply to the imposition, collection, and administration of the tax
 9 imposed by this chapter.
- 10 (b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5
 11 **(before its expiration January 1, 2022)**, and IC 6-3-5-1 do not apply
 12 to the tax imposed by this chapter.
- 13 (c) Notwithstanding subsections (a) and (b), each employer shall
 14 report to the department the amount of withholdings attributable to
 15 each county. This report shall be submitted to the department:
 16 (1) each time the employer remits to the department the tax that
 17 is withheld; and
 18 (2) annually along with the employer's annual withholding report.
- 19 SECTION 75. IC 6-3.5-9-4, AS ADDED BY P.L.173-2011,
 20 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2014]: Sec. 4. As used in this chapter, "new employee" has the
 22 meaning set forth in IC 6-3.1-13-6 **(before its expiration January 1,**
 23 **2022)**, except that as applied to a project that is the subject of a hiring
 24 incentive agreement under this chapter, the phrase "tax credit
 25 agreement" in the definition of "new employee" under IC 6-3.1-13-6
 26 **(before its expiration January 1, 2022)** is construed as a hiring
 27 incentive agreement under this chapter.
- 28 SECTION 76. IC 6-6-5-1, AS AMENDED BY P.L.259-2013,
 29 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2014]: Sec. 1. (a) As used in this chapter, "vehicle" means a
 31 vehicle subject to annual registration as a condition of its operation on
 32 the public highways pursuant to the motor vehicle registration laws of
 33 the state.
- 34 (b) As used in this chapter, "mobile home" means a
 35 nonself-propelled vehicle designed for occupancy as a dwelling or
 36 sleeping place.
- 37 (c) As used in this chapter, "bureau" means the bureau of motor
 38 vehicles.
- 39 (d) As used in this chapter, "license branch" means a branch office
 40 of the bureau authorized to register motor vehicles pursuant to the laws
 41 of the state.
- 42 (e) As used in this chapter, "owner" means the person in whose



- 1 name the vehicle or trailer is registered (as defined in IC 9-13-2).
- 2 (f) As used in this chapter, "motor home" means a self-propelled
3 vehicle having been designed and built as an integral part thereof
4 having living and sleeping quarters, including that which is commonly
5 referred to as a recreational vehicle.
- 6 (g) As used in this chapter, "last preceding annual excise tax
7 liability" means either:
8 (1) the amount of excise tax liability to which the vehicle was
9 subject on the owner's last preceding regular annual registration
10 date; or
11 (2) the amount of excise tax liability to which a vehicle that was
12 registered after the owner's last preceding annual registration date
13 would have been subject if it had been registered on that date.
- 14 (h) As used in this chapter, "trailer" means a device having a gross
15 vehicle weight equal to or less than three thousand (3,000) pounds that
16 is pulled behind a vehicle and that is subject to annual registration as
17 a condition of its operation on the public highways pursuant to the
18 motor vehicle registration laws of the state. The term includes any
19 utility, boat, or other two (2) wheeled trailer.
- 20 (i) This chapter does not apply to the following:
21 (1) Vehicles owned, or leased and operated, by the United States,
22 the state, or political subdivisions of the state.
23 (2) Mobile homes and motor homes.
24 (3) Vehicles assessed under IC 6-1.1-8.
25 (4) Vehicles subject to registration as trucks under the motor
26 vehicle registration laws of the state, except trucks having a
27 declared gross weight not exceeding eleven thousand (11,000)
28 pounds, trailers, semitrailers, tractors, and buses.
29 (5) Vehicles owned, or leased and operated, by a postsecondary
30 educational institution described in IC 6-3-3-5(d) **(before its**
31 **expiration January 1, 2022).**
32 (6) Vehicles owned, or leased and operated, by a volunteer fire
33 department (as defined in IC 36-8-12-2).
34 (7) Vehicles owned, or leased and operated, by a volunteer
35 emergency ambulance service that:
36 (A) meets the requirements of IC 16-31; and
37 (B) has only members that serve for no compensation or a
38 nominal annual compensation of not more than three thousand
39 five hundred dollars (\$3,500).
40 (8) Vehicles that are exempt from the payment of registration fees
41 under IC 9-18-3-1.
42 (9) Farm wagons.



- 1 (10) Off-road vehicles (as defined in IC 14-8-2-185).
 2 (11) Snowmobiles (as defined in IC 14-8-2-261).
 3 SECTION 77. IC 6-6-5.1-1, AS ADDED BY P.L.131-2008,
 4 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2014]: Sec. 1. This chapter does not apply to the following:
 6 (1) A vehicle subject to the motor vehicle excise tax under
 7 IC 6-6-5.
 8 (2) A vehicle owned or leased and operated by the United States,
 9 the state, or a political subdivision of the state.
 10 (3) A mobile home.
 11 (4) A vehicle assessed under IC 6-1.1-8.
 12 (5) A vehicle subject to the commercial vehicle excise tax under
 13 IC 6-6-5.5.
 14 (6) A trailer subject to the annual excise tax imposed under
 15 IC 6-6-5-5.5.
 16 (7) A bus (as defined in IC 9-13-2-17(a)).
 17 (8) A vehicle owned or leased and operated by a postsecondary
 18 educational institution (as described in IC 6-3-3-5(d)) **(before its**
 19 **expiration January 1, 2022).**
 20 (9) A vehicle owned or leased and operated by a volunteer fire
 21 department (as defined in IC 36-8-12-2).
 22 (10) A vehicle owned or leased and operated by a volunteer
 23 emergency ambulance service that:
 24 (A) meets the requirements of IC 16-31; and
 25 (B) has only members who serve for no compensation or a
 26 nominal annual compensation of not more than three thousand
 27 five hundred dollars (\$3,500).
 28 (11) A vehicle that is exempt from the payment of registration
 29 fees under IC 9-18-3-1.
 30 (12) A farm wagon.
 31 (13) A recreational vehicle or truck camper in the inventory of
 32 recreational vehicles and truck campers held for sale by a
 33 manufacturer, distributor, or dealer in the course of business.
 34 SECTION 78. IC 6-6-5.5-2, AS AMENDED BY P.L.2-2007,
 35 SECTION 127, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) Except as provided in
 37 subsection (b), this chapter applies to all commercial vehicles.
 38 (b) This chapter does not apply to the following:
 39 (1) Vehicles owned or leased and operated by the United States,
 40 the state, or political subdivisions of the state.
 41 (2) Mobile homes and motor homes.
 42 (3) Vehicles assessed under IC 6-1.1-8.



- 1 (4) Buses subject to apportioned registration under the
 2 International Registration Plan.
 3 (5) Vehicles subject to taxation under IC 6-6-5.
 4 (6) Vehicles owned or leased and operated by a postsecondary
 5 educational institution described in IC 6-3-3-5(d) **(before its**
 6 **expiration January 1, 2022).**
 7 (7) Vehicles owned or leased and operated by a volunteer fire
 8 department (as defined in IC 36-8-12-2).
 9 (8) Vehicles owned or leased and operated by a volunteer
 10 emergency ambulance service that:
 11 (A) meets the requirements of IC 16-31; and
 12 (B) has only members that serve for no compensation or a
 13 nominal annual compensation of not more than three thousand
 14 five hundred dollars (\$3,500).
 15 (9) Vehicles that are exempt from the payment of registration fees
 16 under IC 9-18-3-1.
 17 (10) Farm wagons.
 18 (11) A vehicle in the inventory of vehicles held for sale by a
 19 manufacturer, distributor, or dealer in the course of business.
 20 SECTION 79. IC 8-24-17-14, AS ADDED BY P.L.182-2009(ss),
 21 SECTION 282, IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2014]: Sec. 14. (a) Except as otherwise
 23 provided in this chapter, all provisions of the adjusted gross income tax
 24 law (IC 6-3) concerning:
 25 (1) definitions;
 26 (2) declarations of estimated tax;
 27 (3) filing of returns;
 28 (4) remittances;
 29 (5) incorporation of the provisions of the Internal Revenue Code;
 30 (6) penalties and interest;
 31 (7) exclusion of military pay credits for withholding; and
 32 (8) exemptions and deductions;
 33 apply to the imposition, collection, and administration of the
 34 improvement tax.
 35 (b) IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5 **(before its expiration**
 36 **January 1, 2022)**, and IC 6-3-5-1 do not apply to the improvement tax.
 37 (c) Notwithstanding subsections (a) and (b), each employer shall
 38 report to the department the amount of withholdings of the
 39 improvement tax attributable to each county. This report shall be
 40 submitted to the department:
 41 (1) each time the employer remits to the department the tax that
 42 is withheld; and



1 (2) annually along with the employer's annual withholding report.
 2 SECTION 80. IC 12-8-12.5-2, AS ADDED BY P.L.110-2010,
 3 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2014]: Sec. 2. The secretary may apply to the United States
 5 Department of Health and Human Services for maximum
 6 reimbursement available to the state from the TANF emergency fund
 7 under Division B, Title II, Subtitle B of the federal American Recovery
 8 and Reinvestment Act of 2009 as follows:

9 (1) Nonrecurrent short term benefits, including qualified state
 10 expenditures for the following:

11 (A) The earned income tax credit under IC 6-3.1-21 **(before**
 12 **its expiration January 1, 2022).**

13 (B) The domestic violence prevention and treatment fund
 14 under IC 5-2-6.7.

15 (C) Food bank allocations as supplemented by third party
 16 expenditures that qualify as the state's maintenance of effort
 17 under TANF (45 CFR 263.2(e)).

18 (D) Any other qualified state expenditure.

19 (2) The HIRE program.

20 SECTION 81. IC 21-12-7-4, AS ADDED BY P.L.2-2007,
 21 SECTION 253, IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2014]: Sec. 4. A contributor to the fund is
 23 entitled to an income tax credit under IC 6-3-3-5.1 **(before its**
 24 **expiration January 1, 2022).**

25 SECTION 82. IC 27-6-8-15 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) Member
 27 insurers, which during any preceding calendar year shall have paid one
 28 (1) or more assessments levied pursuant to section 7 of this chapter,
 29 shall be allowed a credit against premium taxes, adjusted gross income
 30 taxes, or any combination thereof upon revenue or income of member
 31 insurers which may be imposed by the state, up to twenty percent
 32 (20%) of the assessment described in section 7 of this chapter for each
 33 calendar year following the year the assessment was paid until the
 34 aggregate of all assessments paid to the guaranty association shall have
 35 been offset by either credits against such taxes or refunds from the
 36 association. The provisions herein are applicable to all assessments
 37 levied after the passage of this article.

38 (b) To the extent a member insurer elects not to utilize the tax
 39 credits authorized by subsection (a), the member insurer may utilize the
 40 provisions of subsection (c) as a secondary method of recoupment.

41 (c) The rates and premiums charged for insurance policies to which
 42 this chapter applies shall include amounts sufficient to recoup a sum



1 equal to the amounts paid to the association by the member insurer less
 2 any amounts returned to the member insurer by the association and the
 3 rates shall not be deemed excessive because they contain an amount
 4 reasonably calculated to recoup assessments paid by the member
 5 insurer.

6 **(d) This section expires January 1, 2022.**

7 SECTION 83. IC 27-8-8-16, AS AMENDED BY P.L.193-2006,
 8 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2014]: Sec. 16. (a) A member insurer may take as a credit
 10 against premium taxes, adjusted gross income taxes, or any
 11 combination of them imposed by the state upon the member insurer's
 12 revenue or income not more than twenty percent (20%) of the amount
 13 of each assessment described in section 6 of this chapter for each
 14 calendar year following the year in which the assessment was paid until
 15 the assessment has been offset by either credits against the taxes or
 16 refunds from the association. If the member insurer ceases doing
 17 business, all uncredited assessments may be credited against the
 18 member insurer's premium taxes, adjusted gross income taxes, or a
 19 combination of the premium taxes and adjusted gross income taxes of
 20 the member insurer for the year the member insurer ceases doing
 21 business.

22 **(b) This section expires January 1, 2022.**

23 SECTION 84. IC 27-8-8-17, AS AMENDED BY P.L.193-2006,
 24 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2014]: Sec. 17. (a) Sums acquired by refund under section
 26 6(m) of this chapter from the association by member insurers and offset
 27 against taxes as provided by section 16 of this chapter **(before its**
 28 **expiration January 1, 2022)** shall be paid by the member insurers to
 29 the state in the manner required by the tax authorities.

30 (b) The association shall notify the commissioner when refunds
 31 under section 6 of this chapter have been made.

32 SECTION 85. IC 27-8-10-2.3, AS AMENDED BY P.L.1-2006,
 33 SECTION 488, IS AMENDED TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2014]: Sec. 2.3. (a) A member shall, not later
 35 than October 31 of each year, certify an independently audited report
 36 to the:

- 37 (1) association;
- 38 (2) legislative council; and
- 39 (3) department of insurance;

40 of the amount of tax credits taken against assessments by the member
 41 under section 2.1 (as in effect December 31, 2004) or 2.4 of this
 42 chapter **(before its expiration January 1, 2022)** during the previous



1 calendar year. A report certified under this section to the legislative
2 council must be in an electronic format under IC 5-14-6.

3 (b) A member shall, not later than October 31 of each year, certify
4 an independently audited report to the association of the amount of
5 assessments paid by the member against which a tax credit has not
6 been taken under section 2.1 (as in effect December 31, 2004) or 2.4
7 of this chapter (**before its expiration January 1, 2022**) as of the date
8 of the report.

9 SECTION 86. IC 27-8-10-2.4 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.4. (a) Beginning
11 January 1, 2005, a member that, before January 1, 2005, has:

12 (1) paid an assessment; and

13 (2) not taken a credit against taxes;

14 under section 2.1 of this chapter (as in effect December 31, 2004) is not
15 entitled to claim or carry forward the unused tax credit except as
16 provided in this section.

17 (b) A member described in subsection (a) may, for each taxable year
18 beginning after December 31, 2006, take a credit of not more than ten
19 percent (10%) of the amount of the assessments paid before January 1,
20 2005, against which a tax credit has not been taken before January 1,
21 2005. A credit under this subsection may be taken against premium
22 taxes, adjusted gross income taxes, or any combination of these, or
23 similar taxes upon revenues or income of the member that may be
24 imposed by the state, up to the amount of the taxes due for each taxable
25 year.

26 (c) If the maximum amount of a tax credit determined under
27 subsection (b) for a taxable year exceeds a member's liability for the
28 taxes described in subsection (b), the member may carry the unused
29 portion of the tax credit forward to subsequent taxable years. Tax
30 credits carried forward under this subsection are not subject to the ten
31 percent (10%) limit set forth in subsection (b).

32 (d) The total amount of credits taken by a member under this section
33 in all taxable years may not exceed the total amount of assessments
34 paid by the member before January 1, 2005, minus the total amount of
35 tax credits taken by the member under section 2.1 of this chapter (as in
36 effect December 31, 2004) before January 1, 2005.

37 **(e) This section expires January 1, 2022.**

38 SECTION 87. IC 34-55-10-2, AS AMENDED BY P.L.160-2012,
39 SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2014]: Sec. 2. (a) This section does not apply to judgments
41 obtained before October 1, 1977.

42 (b) The amount of each exemption under subsection (c) applies until



1 a rule is adopted by the department of financial institutions under
2 section 2.5 of this chapter.

3 (c) The following property of a debtor domiciled in Indiana is
4 exempt:

5 (1) Real estate or personal property constituting the personal or
6 family residence of the debtor or a dependent of the debtor, or
7 estates or rights in that real estate or personal property, of not
8 more than fifteen thousand dollars (\$15,000). The exemption
9 under this subdivision is individually available to joint debtors
10 concerning property held by them as tenants by the entireties.

11 (2) Other real estate or tangible personal property of eight
12 thousand dollars (\$8,000).

13 (3) Intangible personal property, including choses in action,
14 deposit accounts, and cash (but excluding debts owing and
15 income owing), of three hundred dollars (\$300).

16 (4) Professionally prescribed health aids for the debtor or a
17 dependent of the debtor.

18 (5) Any interest that the debtor has in real estate held as a tenant
19 by the entireties. The exemption under this subdivision does not
20 apply to a debt for which the debtor and the debtor's spouse are
21 jointly liable.

22 (6) An interest, whether vested or not, that the debtor has in a
23 retirement plan or fund to the extent of:

24 (A) contributions, or portions of contributions, that were made
25 to the retirement plan or fund by or on behalf of the debtor or
26 the debtor's spouse:

27 (i) which were not subject to federal income taxation to the
28 debtor at the time of the contribution; or

29 (ii) which are made to an individual retirement account in
30 the manner prescribed by Section 408A of the Internal
31 Revenue Code of 1986;

32 (B) earnings on contributions made under clause (A) that are
33 not subject to federal income taxation at the time of the levy;
34 and

35 (C) roll-overs of contributions made under clause (A) that are
36 not subject to federal income taxation at the time of the levy.

37 (7) Money that is in a medical care savings account established
38 under IC 6-8-11.

39 (8) Money that is in a health savings account established under
40 Section 223 of the Internal Revenue Code of 1986.

41 (9) Any interest the debtor has in a qualified tuition program, as
42 defined in Section 529(b) of the Internal Revenue Code of 1986,



- 1 but only to the extent funds in the program are not attributable to:
 2 (A) excess contributions, as described in Section 529(b)(6) of
 3 the Internal Revenue Code of 1986, and earnings on the excess
 4 contributions;
 5 (B) contributions made by the debtor within one (1) year
 6 before the date of the levy or the date a bankruptcy petition is
 7 filed by or against the debtor, and earnings on the
 8 contributions; or
 9 (C) the excess over five thousand dollars (\$5,000) of aggregate
 10 contributions made by the debtor for all programs under this
 11 subdivision and education savings accounts under subdivision
 12 (10) having the same designated beneficiary:
 13 (i) not later than one (1) year before; and
 14 (ii) not earlier than two (2) years before;
 15 the date of the levy or the date a bankruptcy petition is filed by
 16 or against the debtor, and earnings on the aggregate
 17 contributions.
 18 (10) Any interest the debtor has in an education savings account,
 19 as defined in Section 530(b) of the Internal Revenue Code of
 20 1986, but only to the extent funds in the account are not
 21 attributable to:
 22 (A) excess contributions, as described in Section 4973(e) of
 23 the Internal Revenue Code of 1986, and earnings on the excess
 24 contributions;
 25 (B) contributions made by the debtor within one (1) year
 26 before the date of the levy or the date a bankruptcy petition is
 27 filed by or against the debtor, and earnings on the
 28 contributions; or
 29 (C) the excess over five thousand dollars (\$5,000) of aggregate
 30 contributions made by the debtor for all accounts under this
 31 subdivision and qualified tuition programs under subdivision
 32 (9) having the same designated beneficiary:
 33 (i) not later than one (1) year before; and
 34 (ii) not earlier than two (2) years before;
 35 the date of the levy or the date a bankruptcy petition is filed by
 36 or against the debtor, and earnings on the excess contributions.
 37 (11) The debtor's interest in a refund or a credit received or to be
 38 received under the following:
 39 (A) Section 32 of the Internal Revenue Code of 1986 (the
 40 federal earned income tax credit).
 41 (B) IC 6-3.1-21-6 (the Indiana earned income tax credit)
 42 **(before its expiration January 1, 2022).**



- 1 (12) A disability benefit awarded to a veteran for a service
 2 connected disability under 38 U.S.C. 1101 et seq. This
 3 subdivision does not apply to a service connected disability
 4 benefit that is subject to child and spousal support enforcement
 5 under 42 U.S.C. 659(h)(1)(A)(ii)(V).
 6 (13) Compensation distributed from the supplemental state fair
 7 relief fund under IC 34-13-8 to an eligible person (as defined in
 8 IC 34-13-8-1) for an occurrence (as defined in IC 34-13-8-2). This
 9 subdivision applies even if a debtor is not domiciled in Indiana.
 10 (d) A bankruptcy proceeding that results in the ownership by the
 11 bankruptcy estate of a debtor's interest in property held in a tenancy by
 12 the entirety does not result in a severance of the tenancy by the
 13 entirety.
 14 (e) Real estate or personal property upon which a debtor has
 15 voluntarily granted a lien is not, to the extent of the balance due on the
 16 debt secured by the lien:
 17 (1) subject to this chapter; or
 18 (2) exempt from levy or sale on execution or any other final
 19 process from a court.
 20 SECTION 88. IC 35-51-6-1, AS AMENDED BY P.L.13-2013,
 21 SECTION 146, IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2014]: Sec. 1. The following statutes define
 23 crimes in IC 6:
 24 IC 6-1.1-5.5-10 (Concerning sales disclosure forms).
 25 IC 6-1.1-37-1 (Concerning officers of the state or local
 26 government).
 27 IC 6-1.1-37-2 (Concerning officials or representatives of the
 28 department of local government finance).
 29 IC 6-1.1-37-3 (Concerning property tax returns, statements, or
 30 documents).
 31 IC 6-1.1-37-4 (Concerning property tax deductions).
 32 IC 6-1.1-37-5 (Concerning false statements on a report or
 33 application).
 34 IC 6-1.1-37-6 (Concerning general assessments).
 35 IC 6-2.3-5.5-12 (Concerning utility taxes).
 36 IC 6-2.3-7-1 (Concerning taxes).
 37 IC 6-2.3-7-2 (Concerning taxes).
 38 IC 6-2.3-7-3 (Concerning taxes).
 39 IC 6-2.3-7-4 (Concerning taxes).
 40 IC 6-2.5-9-1 (Concerning taxes).
 41 IC 6-2.5-9-2 (Concerning taxes).
 42 IC 6-2.5-9-3 (Concerning taxes).



- 1 IC 6-2.5-9-6 (Concerning taxes).
- 2 IC 6-2.5-9-7 (Concerning retail sales).
- 3 IC 6-2.5-9-8 (Concerning taxes).
- 4 IC 6-3-3-9 (Concerning taxes) **(before its expiration January 1,**
- 5 **2022).**
- 6 IC 6-3-4-8 (Concerning taxes).
- 7 IC 6-3-6-10 (Concerning taxes).
- 8 IC 6-3-6-11 (Concerning taxes).
- 9 IC 6-3-7-5 (Concerning taxes).
- 10 IC 6-3.5-4-16 (Concerning taxes).
- 11 IC 6-4.1-12-12 (Concerning taxes).
- 12 IC 6-5.5-7-3 (Concerning taxes).
- 13 IC 6-5.5-7-4 (Concerning taxes).
- 14 IC 6-6-1.1-1307 (Concerning taxes).
- 15 IC 6-6-1.1-1308 (Concerning taxes).
- 16 IC 6-6-1.1-1309 (Concerning taxes).
- 17 IC 6-6-1.1-1310 (Concerning taxes).
- 18 IC 6-6-1.1-1311 (Concerning taxes).
- 19 IC 6-6-1.1-1312 (Concerning taxes).
- 20 IC 6-6-1.1-1313 (Concerning taxes).
- 21 IC 6-6-1.1-1316 (Concerning taxes).
- 22 IC 6-6-2.5-28 (Concerning taxes).
- 23 IC 6-6-2.5-40 (Concerning fuel).
- 24 IC 6-6-2.5-56.5 (Concerning fuel).
- 25 IC 6-6-2.5-62 (Concerning fuel).
- 26 IC 6-6-2.5-63 (Concerning taxes).
- 27 IC 6-6-2.5-71 (Concerning taxes).
- 28 IC 6-6-5-11 (Concerning taxes).
- 29 IC 6-6-5.1-25 (Concerning taxes).
- 30 IC 6-6-6-10 (Concerning taxes).
- 31 IC 6-6-11-27 (Concerning taxes).
- 32 IC 6-7-1-15 (Concerning tobacco taxes).
- 33 IC 6-7-1-21 (Concerning tobacco taxes).
- 34 IC 6-7-1-22 (Concerning tobacco taxes).
- 35 IC 6-7-1-23 (Concerning tobacco taxes).
- 36 IC 6-7-1-24 (Concerning tobacco taxes).
- 37 IC 6-7-1-36 (Concerning tobacco taxes).
- 38 IC 6-7-2-18 (Concerning tobacco taxes).
- 39 IC 6-7-2-19 (Concerning tobacco taxes).
- 40 IC 6-7-2-20 (Concerning tobacco taxes).
- 41 IC 6-7-2-21 (Concerning tobacco taxes).
- 42 IC 6-8-1-19 (Concerning petroleum severance taxes).



- 1 IC 6-8-1-23 (Concerning petroleum severance taxes).
 2 IC 6-8-1-24 (Concerning petroleum severance taxes).
 3 IC 6-8.1-3-21.2 (Concerning taxes).
 4 IC 6-8.1-7-3 (Concerning taxes).
 5 IC 6-8.1-8-2 (Concerning taxes).
 6 IC 6-8.1-10-4 (Concerning taxes).
 7 IC 6-9-2-5 (Concerning innkeeper's taxes).
 8 IC 6-9-2.5-8 (Concerning innkeeper's taxes).
 9 IC 6-9-4-8 (Concerning innkeeper's taxes).
 10 IC 6-9-6-8 (Concerning innkeeper's taxes).
 11 IC 6-9-7-8 (Concerning innkeeper's taxes).
 12 IC 6-9-10-8 (Concerning innkeeper's taxes).
 13 IC 6-9-10.5-12 (Concerning innkeeper's taxes).
 14 IC 6-9-11-8 (Concerning innkeeper's taxes).
 15 IC 6-9-14-8 (Concerning innkeeper's taxes).
 16 IC 6-9-15-8 (Concerning innkeeper's taxes).
 17 IC 6-9-16-8 (Concerning innkeeper's taxes).
 18 IC 6-9-17-8 (Concerning innkeeper's taxes).
 19 IC 6-9-18-8 (Concerning innkeeper's taxes).
 20 IC 6-9-19-8 (Concerning innkeeper's taxes).
 21 IC 6-9-29-2 (Concerning innkeeper's taxes).
 22 IC 6-9-32-8 (Concerning innkeeper's taxes).
 23 IC 6-9-37-8 (Concerning innkeeper's taxes).

24 SECTION 89. IC 36-4-7-6 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. Before the
 26 **publication submission** of notice of budget estimates required by
 27 IC 6-1.1-17-3, each city shall formulate a budget estimate for the
 28 ensuing budget year in the following manner:

- 29 (1) Each department head shall prepare for **his the department**
 30 **head's** department an estimate of the amount of money required
 31 for the ensuing budget year, stating in detail each category and
 32 item of expenditure **he the department head** anticipates.
 33 (2) The city fiscal officer shall prepare an itemized estimate of
 34 revenues available for the ensuing budget year, and shall prepare
 35 an itemized estimate of expenditures for other purposes above the
 36 money proposed to be used by the departments.
 37 (3) The city executive shall meet with the department heads and
 38 the fiscal officer to review and revise their various estimates.
 39 (4) After the executive's review and revision, the fiscal officer
 40 shall prepare for the executive a report of the estimated
 41 department budgets, miscellaneous expenses, and revenues
 42 necessary or available to finance the estimates.



1 SECTION 90. IC 36-5-3-3 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. Before the
 3 **publication submission** of notice of budget estimates required by
 4 IC 6-1.1-17-3, each town shall formulate a budget estimate for the
 5 ensuing budget year in the following manner, unless it provides by
 6 ordinance for a different manner:

7 (1) Each department head shall prepare for ~~his~~ **the department**
 8 **head's** department an estimate of the amount of money required
 9 for the ensuing budget year, stating in detail each category and
 10 item of expenditure ~~he~~ **the department head** anticipates.

11 (2) The town fiscal officer shall prepare an itemized estimate of
 12 revenues available for the ensuing budget year, and shall prepare
 13 an itemized estimate of expenditures for other purposes above the
 14 money proposed to be used by the departments.

15 (3) The town executive shall meet with the department heads and
 16 the fiscal officer to review and revise their various estimates.

17 (4) After the executive's review and revision, the fiscal officer
 18 shall prepare for the executive a report of the estimated
 19 department budgets, miscellaneous expenses, and revenues
 20 necessary or available to finance the estimates.

21 SECTION 91. IC 36-7-12-27, AS AMENDED BY P.L.146-2008,
 22 SECTION 722, IS AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE JULY 1, 2014]: Sec. 27. (a) Bonds issued by a unit under
 24 section 25 of this chapter may be issued as serial bonds, term bonds, or
 25 a combination of both types. The ordinance of the fiscal body
 26 authorizing bonds, notes, or warrants, or the financing agreement or the
 27 trust indenture approved by the ordinance, must provide:

28 (1) the manner of their execution, either by the manual or
 29 facsimile signatures of the executive of the unit and the clerk of
 30 the fiscal body;

31 (2) their date;

32 (3) their term or terms, which may not exceed forty (40) years,
 33 except as otherwise provided by subsection (e);

34 (4) their maximum interest rate if fixed rates are used or the
 35 manner in which the interest rate will be determined if variable or
 36 adjustable rates are used;

37 (5) their denominations;

38 (6) their form, either coupon or registered;

39 (7) their registration privileges;

40 (8) the medium of their payment;

41 (9) the place or places of their payment;

42 (10) the terms of their redemption; and



- 1 (11) any other provisions not inconsistent with this chapter.
- 2 (b) Bonds, notes, or warrants issued under section 25 of this chapter
3 may be sold at public or private sale for the price or prices, in the
4 manner, and at the time or times determined by the unit. The unit may
5 advance all expenses, premiums, and commissions that it considers
6 necessary or advantageous in connection with their issuance.
- 7 (c) The bonds, notes, or warrants and their authorization, issuance,
8 sale, and delivery are not subject to any general statute concerning
9 bonds, notes, or warrants of units.
- 10 (d) An action to contest the validity of bonds, notes, or warrants
11 issued under section 25 of this chapter may not be commenced more
12 than thirty (30) days after the adoption of the ordinance approving them
13 under section 25 of this chapter.
- 14 (e) This subsection applies only to bonds, notes, or warrants issued
15 under this chapter after June 30, 2008, that are wholly or partially
16 payable from tax increment revenues derived from property taxes. The
17 maximum term or repayment period for the bonds, notes, or warrants
18 may not exceed:
- 19 (1) twenty-five (25) years, unless the bonds, notes, or warrants
20 were:
- 21 (A) issued or entered into before July 1, 2008;
22 (B) issued or entered into after June 30, 2008, but authorized
23 by a resolution adopted before July 1, 2008; or
24 (C) issued or entered into after June 30, 2008, in order to
25 fulfill the terms of agreements or pledges entered into before
26 July 1, 2008, with the holders of the bonds, notes, warrants, or
27 other contractual obligations by or with developers, lenders, or
28 units, or otherwise prevent an impairment of the rights or
29 remedies of the holders of the bonds, notes, warrants, or other
30 contractual obligations; or
- 31 (2) thirty (30) years, if the bonds, notes, or warrants were issued
32 after June 30, 2008, to finance:
- 33 (A) an integrated coal gasification powerplant (as defined by
34 IC 6-3.1-29-6, **before its expiration January 1, 2022**);
35 (B) a part of an integrated coal gasification powerplant (as
36 defined by IC 6-3.1-29-6, **before its expiration January 1,**
37 **2022**); or
38 (C) property used in the operation or maintenance of an
39 integrated coal gasification powerplant (as defined by
40 IC 6-3.1-29-6, **before its expiration January 1, 2022**);
41 that received a certificate of public convenience and necessity
42 from the Indiana utility regulatory commission under IC 8-1-8.5



1 et seq. before July 1, 2008.

2 (f) The general assembly makes the following findings of fact with
3 respect to an integrated coal gasification powerplant (as defined in
4 IC 6-3.1-29-6, **before its expiration January 1, 2022**) that received a
5 certificate of public convenience and necessity from the Indiana utility
6 regulatory commission under IC 8-1-8.5 et seq. before July 1, 2008:

7 (1) The health, safety, general welfare, and economic and energy
8 security of the people of the state of Indiana require as a public
9 purpose of the state the promotion of clean energy, including
10 clean coal, technologies in Indiana.

11 (2) These technologies include the integrated coal gasification
12 powerplant contemplated by this chapter, IC 6-1.1-20-1.1, and
13 IC 36-7-14.

14 (3) Investment in the integrated coal gasification powerplant
15 contemplated by this chapter, IC 6-1.1-20-1.1, and IC 36-7-14
16 will result in substantial financial and other benefits to the state
17 and its political subdivisions and the people of Indiana, including
18 increased employment, tax revenue, and use of Indiana coal.

19 (4) It is in the best interest of the state and its citizens to promote
20 and preserve financial and other incentives for the integrated coal
21 gasification powerplant.

22 SECTION 92. IC 36-7-13-3.4, AS AMENDED BY P.L.199-2005,
23 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JULY 1, 2014]: Sec. 3.4. (a) Except as provided in subsection (b), as
25 used in this chapter, "income tax incremental amount" means the
26 remainder of:

27 (1) the aggregate amount of state and local income taxes paid by
28 employees employed in a district with respect to wages earned for
29 work in the district for a particular state fiscal year; minus

30 (2) the sum of the:

31 (A) income tax base period amount; and

32 (B) tax credits awarded by the economic development for a
33 growing economy board under IC 6-3.1-13 (**before its**
34 **expiration January 1, 2022**) to businesses operating in a
35 district as the result of wages earned for work in the district for
36 the state fiscal year;

37 as determined by the department of state revenue under section 14 of
38 this chapter.

39 (b) For purposes of a district designated under section 12.1 of this
40 chapter, "income tax incremental amount" means seventy-five percent
41 (75%) of the amount described in subsection (a).

42 SECTION 93. IC 36-7-14-25.1, AS AMENDED BY P.L.203-2011,



1 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 2 JULY 1, 2014]: Sec. 25.1. (a) In addition to other methods of raising
 3 money for property acquisition or redevelopment in a redevelopment
 4 project area, and in anticipation of the special tax to be levied under
 5 section 27 of this chapter, the taxes allocated under section 39 of this
 6 chapter, or other revenues of the district, or any combination of these
 7 sources, the redevelopment commission may, by resolution and subject
 8 to subsection (p), issue the bonds of the special taxing district in the
 9 name of the unit. The amount of the bonds may not exceed the total, as
 10 estimated by the commission, of all expenses reasonably incurred in
 11 connection with the acquisition and redevelopment of the property,
 12 including:

- 13 (1) the total cost of all land, rights-of-way, and other property to
 14 be acquired and redeveloped;
- 15 (2) all reasonable and necessary architectural, engineering, legal,
 16 financing, accounting, advertising, bond discount, and
 17 supervisory expenses related to the acquisition and redevelopment
 18 of the property or the issuance of bonds;
- 19 (3) capitalized interest permitted by this chapter and a debt
 20 service reserve for the bonds to the extent the redevelopment
 21 commission determines that a reserve is reasonably required; and
- 22 (4) expenses that the redevelopment commission is required or
 23 permitted to pay under IC 8-23-17.

24 (b) If the redevelopment commission plans to acquire different
 25 parcels of land or let different contracts for redevelopment work at
 26 approximately the same time, whether under one (1) or more
 27 resolutions, the commission may provide for the total cost in one (1)
 28 issue of bonds.

29 (c) The bonds must be dated as set forth in the bond resolution and
 30 negotiable, subject to the requirements of the bond resolution for
 31 registering the bonds. The resolution authorizing the bonds must state:

- 32 (1) the denominations of the bonds;
- 33 (2) the place or places at which the bonds are payable; and
- 34 (3) the term of the bonds, which may not exceed:
 - 35 (A) fifty (50) years, for bonds issued before July 1, 2008;
 - 36 (B) thirty (30) years, for bonds issued after June 30, 2008, to
 37 finance:
 - 38 (i) an integrated coal gasification powerplant (as defined in
 39 IC 6-3.1-29-6, **before its expiration January 1, 2022**);
 - 40 (ii) a part of an integrated coal gasification powerplant (as
 41 defined in IC 6-3.1-29-6, **before its expiration January 1,**
 42 **2022**); or



- 1 (iii) property used in the operation or maintenance of an
 2 integrated coal gasification powerplant (as defined in
 3 IC 6-3.1-29-6, **before its expiration January 1, 2022**);
 4 that received a certificate of public convenience and necessity
 5 from the Indiana utility regulatory commission under
 6 IC 8-1-8.5 et seq. before July 1, 2008; or
 7 (C) twenty-five (25) years, for bonds issued after June 30,
 8 2008, that are not described in clause (B).
- 9 The resolution may also state that the bonds are redeemable before
 10 maturity with or without a premium, as determined by the
 11 redevelopment commission.
- 12 (d) The redevelopment commission shall certify a copy of the
 13 resolution authorizing the bonds to the municipal or county fiscal
 14 officer, who shall then prepare the bonds, subject to subsection (p). The
 15 seal of the unit must be impressed on the bonds, or a facsimile of the
 16 seal must be printed on the bonds.
- 17 (e) The bonds must be executed by the appropriate officer of the
 18 unit and attested by the municipal or county fiscal officer.
- 19 (f) The bonds are exempt from taxation for all purposes.
- 20 (g) The municipal or county fiscal officer shall give notice of the
 21 sale of the bonds by publication in accordance with IC 5-3-1. The
 22 municipal fiscal officer, or county fiscal officer or executive, shall sell
 23 the bonds to the highest bidder, but may not sell them for less than
 24 ninety-seven percent (97%) of their par value. However, bonds payable
 25 solely or in part from tax proceeds allocated under section 39(b)(3) of
 26 this chapter, or other revenues of the district may be sold at a private
 27 negotiated sale.
- 28 (h) Except as provided in subsection (i), a redevelopment
 29 commission may not issue the bonds when the total issue, including
 30 bonds already issued and to be issued, exceeds two percent (2%) of the
 31 adjusted value of the taxable property in the special taxing district, as
 32 determined under IC 36-1-15.
- 33 (i) The bonds are not a corporate obligation of the unit but are an
 34 indebtedness of the taxing district. The bonds and interest are payable,
 35 as set forth in the bond resolution of the redevelopment commission:
- 36 (1) from a special tax levied upon all of the property in the taxing
 37 district, as provided by section 27 of this chapter;
 38 (2) from the tax proceeds allocated under section 39(b)(3) of this
 39 chapter;
 40 (3) from other revenues available to the redevelopment
 41 commission; or
 42 (4) from a combination of the methods stated in subdivisions (1)



- 1 through (3).
 2 If the bonds are payable solely from the tax proceeds allocated under
 3 section 39(b)(3) of this chapter, other revenues of the redevelopment
 4 commission, or any combination of these sources, they may be issued
 5 in any amount without limitation.
- 6 (j) Proceeds from the sale of bonds may be used to pay the cost of
 7 interest on the bonds for a period not to exceed five (5) years from the
 8 date of issuance.
- 9 (k) All laws relating to the giving of notice of the issuance of bonds,
 10 the giving of notice of a hearing on the appropriation of the proceeds
 11 of the bonds, the right of taxpayers to appear and be heard on the
 12 proposed appropriation, and the approval of the appropriation by the
 13 department of local government finance apply to all bonds issued under
 14 this chapter that are payable from the special benefits tax levied
 15 pursuant to section 27 of this chapter or from taxes allocated under
 16 section 39 of this chapter.
- 17 (l) All laws relating to:
 18 (1) the filing of petitions requesting the issuance of bonds; and
 19 (2) the right of:
 20 (A) taxpayers and voters to remonstrate against the issuance of
 21 bonds in the case of a proposed bond issue described by
 22 IC 6-1.1-20-3.1(a); or
 23 (B) voters to vote on the issuance of bonds in the case of a
 24 proposed bond issue described by IC 6-1.1-20-3.5(a);
 25 apply to bonds issued under this chapter except for bonds payable
 26 solely from tax proceeds allocated under section 39(b)(3) of this
 27 chapter, other revenues of the redevelopment commission, or any
 28 combination of these sources.
- 29 (m) If a debt service reserve is created from the proceeds of bonds,
 30 the debt service reserve may be used to pay principal and interest on
 31 the bonds as provided in the bond resolution.
- 32 (n) Any amount remaining in the debt service reserve after all of the
 33 bonds of the issue for which the debt service reserve was established
 34 have matured shall be:
 35 (1) deposited in the allocation fund established under section
 36 39(b)(3) of this chapter; and
 37 (2) to the extent permitted by law, transferred to the county or
 38 municipality that established the department of redevelopment for
 39 use in reducing the county's or municipality's property tax levies
 40 for debt service.
- 41 (o) If bonds are issued under this chapter that are payable solely or
 42 in part from revenues to the redevelopment commission from a project



1 or projects, the redevelopment commission may adopt a resolution or
 2 trust indenture or enter into covenants as is customary in the issuance
 3 of revenue bonds. The resolution or trust indenture may pledge or
 4 assign the revenues from the project or projects, but may not convey or
 5 mortgage any project or parts of a project. The resolution or trust
 6 indenture may also contain any provisions for protecting and enforcing
 7 the rights and remedies of the bond owners as may be reasonable and
 8 proper and not in violation of law, including covenants setting forth the
 9 duties of the redevelopment commission. The redevelopment
 10 commission may establish fees and charges for the use of any project
 11 and covenant with the owners of any bonds to set those fees and
 12 charges at a rate sufficient to protect the interest of the owners of the
 13 bonds. Any revenue bonds issued by the redevelopment commission
 14 that are payable solely from revenues of the commission shall contain
 15 a statement to that effect in the form of bond.

16 (p) If the total principal amount of bonds authorized by a resolution
 17 of the redevelopment commission adopted before July 1, 2008, is equal
 18 to or greater than three million dollars (\$3,000,000), the bonds may not
 19 be issued without the approval, by resolution, of the legislative body of
 20 the unit. Bonds authorized in any principal amount by a resolution of
 21 the redevelopment commission adopted after June 30, 2008, may not
 22 be issued without the approval of the legislative body of the unit.

23 SECTION 94. IC 36-7-32-8.5, AS ADDED BY P.L.199-2005,
 24 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2014]: Sec. 8.5. As used in this chapter, "income tax
 26 incremental amount" means the remainder of:

27 (1) the total amount of state adjusted gross income taxes, county
 28 adjusted gross income tax, county option income taxes, and
 29 county economic development income taxes paid by employees
 30 employed in the territory comprising the certified technology park
 31 with respect to wages and salary earned for work in the territory
 32 comprising the certified technology park for a particular state
 33 fiscal year; minus

34 (2) the sum of the:

35 (A) income tax base period amount; and

36 (B) tax credits awarded by the economic development for a
 37 growing economy board under IC 6-3.1-13 (**before its**
 38 **expiration January 1, 2022**) to businesses operating in a
 39 certified technology park as the result of wages earned for
 40 work in the certified technology park for the state fiscal year;

41 as determined by the department of state revenue.

42 SECTION 95. IC 36-8-19-8, AS AMENDED BY P.L.182-2009(ss),



1 SECTION 443, IS AMENDED TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) Upon the adoption of
 3 identical ordinances or resolutions, or both, by the participating units
 4 under section 6 of this chapter, the designated provider unit must
 5 establish a fire protection territory fund from which all expenses of
 6 operating and maintaining the fire protection services within the
 7 territory, including repairs, fees, salaries, depreciation on all
 8 depreciable assets, rents, supplies, contingencies, and all other
 9 expenses lawfully incurred within the territory shall be paid. The
 10 purposes described in this subsection are the sole purposes of the fund,
 11 and money in the fund may not be used for any other expenses. Except
 12 as allowed in subsections (d) and (e) and section 8.5 of this chapter, the
 13 provider unit is not authorized to transfer money out of the fund at any
 14 time.

15 (b) The fund consists of the following:

- 16 (1) All receipts from the tax imposed under this section.
- 17 (2) Any money transferred to the fund by the provider unit as
 18 authorized under subsection (d).
- 19 (3) Any receipts from a false alarm fee or service charge imposed
 20 by the participating units under IC 36-8-13-4.
- 21 (4) Any money transferred to the fund by a participating unit
 22 under section 8.6 of this chapter.

23 (c) The provider unit, with the assistance of each of the other
 24 participating units, shall annually budget the necessary money to meet
 25 the expenses of operation and maintenance of the fire protection
 26 services within the territory. ~~plus~~ **The provider unit may maintain a**
 27 ~~reasonable operating~~ **balance, not to exceed one hundred** twenty
 28 ~~percent (20%)~~ **(120%)** of the budgeted expenses. Except as provided
 29 in IC 6-1.1-18.5-10.5, after estimating expenses and receipts of money,
 30 the provider unit shall establish the tax levy required to fund the
 31 estimated budget. The amount budgeted under this subsection shall be
 32 considered a part of each of the participating unit's budget.

33 (d) If the amount levied in a particular year is insufficient to cover
 34 the costs incurred in providing fire protection services within the
 35 territory, the provider unit may transfer from available sources to the
 36 fire protection territory fund the money needed to cover those costs. In
 37 this case:

- 38 (1) the levy in the following year shall be increased by the amount
 39 required to be transferred; and
- 40 (2) the provider unit is entitled to transfer the amount described
 41 in subdivision (1) from the fund as reimbursement to the provider
 42 unit.

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1 (e) If the amount levied in a particular year exceeds the amount
2 necessary to cover the costs incurred in providing fire protection
3 services within the territory, the levy in the following year shall be
4 reduced by the amount of surplus money that is not transferred to the
5 equipment replacement fund established under section 8.5 of this
6 chapter. The amount that may be transferred to the equipment
7 replacement fund may not exceed five percent (5%) of the levy for that
8 fund for that year. Each participating unit must agree to the amount to
9 be transferred by adopting an ordinance (if the unit is a county or
10 municipality) or a resolution (if the unit is a township) that specifies an
11 identical amount to be transferred.

12 (f) The tax under this section is subject to the tax levy limitations
13 imposed under IC 6-1.1-18.5-10.5.

14 SECTION 96. [EFFECTIVE UPON PASSAGE] (a)
15 IC 6-1.1-12-10.1, IC 6-1.1-12-12, IC 6-1.1-12-15, IC 6-1.1-12-17,
16 IC 6-1.1-12-17.5, IC 6-1.1-12-27.1, IC 6-1.1-12-30, IC 6-1.1-12-35.5,
17 IC 6-1.1-12-38, IC 6-1.1-12-45, IC 6-1.1-12.6-3, and IC 6-1.1-12.8-4,
18 all as amended by this act, apply to deductions claimed for
19 assessment dates after February 28, 2014.

20 (b) This SECTION expires July 1, 2018.

21 SECTION 97. An emergency is declared for this act.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1266, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 4, line 7, delete "IC 36-7-14-39(i)" and insert "**IC 36-7-14-39(j)**".

Page 4, line 7, strike "IC 36-7-15.1-26(g)." and insert "**IC 36-7-15.1-26(h)**".

Page 5, line 15, delete "to the electric rail service fund established by" and insert "**for railroad car maintenance and improvements provided under IC 6-1.1-8.2.**".

Page 5, delete line 16.

Page 19, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 20. IC 6-1.1-15-12, AS AMENDED BY P.L.172-2011, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Subject to the limitations contained in subsections (c), ~~and~~ (d), **and (i)**, a county auditor shall correct errors which are discovered in the tax duplicate for any one (1) or more of the following reasons:

- (1) The description of the real property was in error.
- (2) The assessment was against the wrong person.
- (3) Taxes on the same property were charged more than one (1) time in the same year.
- (4) There was a mathematical error in computing the taxes or penalties on the taxes.
- (5) There was an error in carrying delinquent taxes forward from one (1) tax duplicate to another.
- (6) The taxes, as a matter of law, were illegal.
- (7) There was a mathematical error in computing an assessment.
- (8) Through an error of omission by any state or county officer, the taxpayer was not given:

- (A) the proper credit under IC 6-1.1-20.6-7.5 for property taxes imposed for an assessment date after January 15, 2011;
- (B) any other credit permitted by law;
- (C) an exemption permitted by law; or
- (D) a deduction permitted by law.

(b) **Subject to subsection (i)**, the county auditor shall correct an error described under subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when the county auditor finds that the error exists.

(c) If the tax is based on an assessment made or determined by the



department of local government finance, the county auditor shall not correct an error described under subsection (a)(6), (a)(7), or (a)(8) until after the correction is either approved by the department of local government finance or ordered by the tax court.

(d) If the tax is not based on an assessment made or determined by the department of local government finance, the county auditor shall correct an error described under subsection (a)(6), (a)(7), or (a)(8) only if the correction is first approved by at least two (2) of the following officials:

- (1) The township assessor (if any).
- (2) The county auditor.
- (3) The county assessor.

If two (2) of these officials do not approve such a correction, the county auditor shall refer the matter to the county board for determination. The county board shall provide a copy of the determination to the taxpayer and to the county auditor.

(e) A taxpayer may appeal a determination of the county board to the Indiana board for a final administrative determination. An appeal under this section shall be conducted in the same manner as appeals under sections 4 through 8 of this chapter. The Indiana board shall send the final administrative determination to the taxpayer, the county auditor, the county assessor, and the township assessor (if any).

(f) If a correction or change is made in the tax duplicate after it is delivered to the county treasurer, the county auditor shall transmit a certificate of correction to the county treasurer. The county treasurer shall keep the certificate as the voucher for settlement with the county auditor.

(g) A taxpayer that files a personal property tax return under IC 6-1.1-3 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's personal property tax return. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's personal property tax return, the taxpayer must instead file an amended personal property tax return under IC 6-1.1-3-7.5.

(h) A taxpayer that files a statement under IC 6-1.1-8-19 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's statement. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's statement, the taxpayer must instead initiate an objection under IC 6-1.1-8-28 or an appeal under IC 6-1.1-8-30.

(i) A taxpayer is not entitled to relief under this section unless the taxpayer files a petition to correct an error:



(1) with the auditor of the county in which the taxes were originally paid; and

(2) within three (3) years after the taxes were first due."

Page 21, delete lines 12 through 42.

Page 22, delete lines 1 through 26.

Page 25, line 24, reset in roman "a public library" and insert "**that has its proposed budget and proposed property tax levy approved under section 20.3 of this chapter**".

Page 25, line 25, reset in roman "or".

Page 25, line 26, after "." insert "**The term includes a public library that has a taxing district located within at least two (2) counties.**".

Page 26, delete lines 25 through 42, begin a new paragraph and insert:

"SECTION 23. IC 6-1.1-17-20.3, AS ADDED BY P.L.137-2012, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 20.3. (a) This section applies only to the governing body of a public library that:

(1) governs a taxing district that is located within a single county;

(+ (2)) is not comprised of a majority of officials who are elected to serve on the governing body; and

(- (3)) has a percentage increase in the proposed budget for the taxing unit for the ensuing calendar year that is more than the result of:

(A) the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the ensuing calendar year; minus

(B) one (1).

For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.

(b) This section does not apply to an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) If:

(1) the assessed valuation of a public library is entirely contained within a city or town; or

(2) the assessed valuation of a public library is not entirely contained within a city or town but the public library was originally established by the city or town;



the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body in the manner prescribed by the department of local government finance before September 2 of a year. However, the governing body shall submit its proposed budget and property tax levy to the county fiscal body in the manner provided in subsection (d), rather than to the city or town fiscal body, if more than fifty percent (50%) of the parcels of real property within the jurisdiction of the public library are located outside the city or town.

(d) If subsection (c) does not apply, the governing body of the public library shall submit its proposed budget and property tax levy to the county fiscal body in the county where the public library has the most assessed valuation. The proposed budget and levy shall be submitted to the county fiscal body in the manner prescribed by the department of local government finance before September 2 of a year.

(e) The fiscal body of the city, town, or county (whichever applies) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the public library. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

(f) If a public library fails to file the information required in subsection (c) or (d), whichever applies, with the appropriate fiscal body by the time prescribed by this section, the most recent annual appropriations and annual tax levy of that public library are continued for the ensuing budget year.

(g) If the appropriate fiscal body fails to complete the requirements of subsection (e) before the adoption deadline in section 5 of this chapter for any public library subject to this section, the most recent annual appropriations and annual tax levy of the city, town, or county, whichever applies, are continued for the ensuing budget year.

SECTION 24. IC 6-1.1-18-5, AS AMENDED BY P.L.137-2012, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) If the proper officers of a political subdivision desire to appropriate more money for a particular year than the amount prescribed in the budget for that year as finally determined under this article, they shall give notice of their proposed additional appropriation. The notice shall state the time and place at which a public hearing will be held on the proposal. The notice shall be given once in accordance with IC 5-3-1-2(b).

(b) If the additional appropriation by the political subdivision is made from a fund that receives:

- (1) distributions from the motor vehicle highway account established under IC 8-14-1-1 or the local road and street account established under IC 8-14-2-4; or



(2) revenue from property taxes levied under IC 6-1.1; the political subdivision must report the additional appropriation to the department of local government finance. If the additional appropriation is made from a fund described under this subsection, subsections (f), (g), (h), and (i) apply to the political subdivision.

(c) However, if the additional appropriation is not made from a fund described under subsection (b), subsections (f), (g), (h), and (i) do not apply to the political subdivision. Subsections (f), (g), (h), and (i) do not apply to an additional appropriation made from the cumulative bridge fund if the appropriation meets the requirements under IC 8-16-3-3(c).

(d) A political subdivision may make an additional appropriation without approval of the department of local government finance if the additional appropriation is made from a fund that is not described under subsection (b). However, the fiscal officer of the political subdivision shall report the additional appropriation to the department of local government finance.

(e) After the public hearing, the proper officers of the political subdivision shall file a certified copy of their final proposal and any other relevant information to the department of local government finance.

(f) When the department of local government finance receives a certified copy of a proposal for an additional appropriation under subsection (e), the department shall determine whether sufficient funds are available or will be available for the proposal. The determination shall be made in writing and sent to the political subdivision not more than fifteen (15) days after the department of local government finance receives the proposal.

(g) In making the determination under subsection (f), the department of local government finance shall limit the amount of the additional appropriation to revenues available, or to be made available, which have not been previously appropriated.

(h) If the department of local government finance disapproves an additional appropriation under subsection (f), the department shall specify the reason for its disapproval on the determination sent to the political subdivision.

(i) A political subdivision may request a reconsideration of a determination of the department of local government finance under this section by filing a written request for reconsideration. A request for reconsideration must:

- (1) be filed with the department of local government finance within fifteen (15) days of the receipt of the determination by the



political subdivision; and

(2) state with reasonable specificity the reason for the request.

The department of local government finance must act on a request for reconsideration within fifteen (15) days of receiving the request.

(j) This subsection applies to an additional appropriation by a political subdivision that must have the political subdivision's annual appropriations and annual tax levy adopted by a city, town, or county fiscal body under IC 6-1.1-17-20 or by a legislative or fiscal body under IC 36-3-6-9. The fiscal or legislative body of the city, town, or county that adopted the political subdivision's annual appropriation and annual tax levy must adopt the additional appropriation by ordinance before the department of local government finance may approve the additional appropriation.

(k) This subsection applies to a public library that:

(1) is required to submit the public library's budgets, tax rates, and tax levies for nonbinding review under IC 6-1.1-17-3.5; and

(2) is not required to submit the public library's budgets, tax rates, and tax levies for binding review and approval under IC 6-1.1-17-20.

If a public library subject to this subsection proposes to make an additional appropriation for a year, and the additional appropriation would result in the budget for the library for that year increasing (as compared to the previous year) by a percentage that is greater than the result of the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the calendar year minus one (1), the additional appropriation must first be approved by the city, town, or county fiscal body described in IC 6-1.1-17-20.3(c) or ~~IC 6-1.1-17-20(d)~~; **IC 6-1.1-17-20.3(d)**, as appropriate."

Delete pages 27 through 28.

Page 29, delete lines 1 through 35, begin a new paragraph and insert:

"SECTION 26. IC 6-1.1-18-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 22. (a) As used in this section, "qualified taxing unit" refers to the following taxing units:**

(1) DeKalb County.

(2) The town of Middlebury in Elkhart County.

(b) Before July 1, 2014, the department shall calculate and certify to the fiscal body of a qualified taxing unit the result of:

(1) the amount of the property tax levy that could have been imposed for property taxes first due and payable in 2014, if the budgets and levies of the qualified taxing unit had been



properly advertised; minus

(2) the amount of the property tax levy approved by the department under IC 6-1.1-17 for property taxes first due and payable in calendar year 2014, after reducing the qualified taxing unit's budget and property tax levy because the qualified taxing unit's budget and property tax levy information were not properly advertised.

(c) After receiving the certifications required under subsection (b), the fiscal body of a qualified taxing unit may adopt an ordinance authorizing the qualified taxing unit to borrow money from a financial institution to replace part or all of the amount certified under subsection (b).

(d) If a qualified taxing unit receives a loan under this section, the fiscal officer of the qualified taxing unit shall deposit the loan in each fund affected by the reduction of the qualified taxing unit's budget and property tax levy. The amount deposited may be used for any of the lawful purposes of that fund.

(e) If a qualified taxing unit borrows money under subsection (c), the qualified taxing unit shall impose a property tax levy in calendar year 2015 for the qualified taxing unit's debt service fund to repay the total amount borrowed. The property tax levy under this subsection must be treated as:

- (1) protected taxes (as defined in IC 6-1.1-20.6-9.8); and
- (2) property taxes that are exempt from the levy limitations of IC 6-1.1-18.5.

(f) This section expires June 30, 2016."

Page 34, between lines 20 and 21, begin a new paragraph and insert:
"SECTION 32. IC 36-7-14-15.5, AS AMENDED BY P.L. 119-2012, SECTION 206, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15.5. (a) This section applies to a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000).

(b) In adopting a declaratory resolution under section 15 of this chapter, a redevelopment commission may include a provision stating that the redevelopment project area is considered to include one (1) or more additional areas outside the boundaries of the redevelopment project area if the redevelopment commission makes the following findings and the requirements of subsection (c) are met:

- (1) One (1) or more taxpayers presently located within the boundaries of the redevelopment project area are expected within one (1) year to relocate all or part of their operations outside the boundaries of the redevelopment project area and have expressed



an interest in relocating all or part of their operations within the boundaries of an additional area.

(2) The relocation described in subdivision (1) will contribute to the continuation of the conditions described in IC 36-7-1-3 in the redevelopment project area.

(3) For purposes of this section, it will be of public utility and benefit to include the additional areas as part of the redevelopment project area.

(c) Each additional area must be designated by the redevelopment commission as a redevelopment project area or an economic development area under this chapter.

(d) Notwithstanding section 3 of this chapter, the additional areas shall be considered to be a part of the redevelopment special taxing district under the jurisdiction of the redevelopment commission. Any excess property taxes that the commission has determined may be paid to taxing units under section ~~39(b)(4)~~ **(39)(b)(5)** of this chapter shall be paid to the taxing units from which the excess property taxes were derived. All powers of the redevelopment commission authorized under this chapter may be exercised by the redevelopment commission in additional areas under its jurisdiction.

(e) The declaratory resolution must include a statement of the general boundaries of each additional area. However, it is sufficient to describe those boundaries by location in relation to public ways, streams, or otherwise, as determined by the commissioners.

(f) The declaratory resolution may include a provision with respect to the allocation and distribution of property taxes with respect to one (1) or more of the additional areas in the manner provided in section 39 of this chapter. If the redevelopment commission includes such a provision in the resolution, allocation areas in the redevelopment project area and in the additional areas considered to be part of the redevelopment project area shall be considered a single allocation area for purposes of this chapter.

(g) The additional areas must be located within the same county as the redevelopment project area but are not otherwise required to be within the jurisdiction of the redevelopment commission, if the redevelopment commission obtains the consent by ordinance of:

- (1) the county legislative body, for each additional area located within the unincorporated part of the county; or
- (2) the legislative body of the city or town affected, for each additional area located within a city or town.

In granting its consent, the legislative body shall approve the plan of development or redevelopment relating to the additional area.



(h) A declaratory resolution previously adopted may be amended to include a provision to include additional areas as set forth in this section and an allocation provision under section 39 of this chapter with respect to one (1) or more of the additional areas in accordance with sections 15, 16, and 17 of this chapter.

(i) The redevelopment commission may amend the allocation provision of a declaratory resolution in accordance with sections 15, 16, and 17 of this chapter to change the assessment date that determines the base assessed value of property in the allocation area to any assessment date following the effective date of the allocation provision of the declaratory resolution. Such a change may relate to the assessment date that determines the base assessed value of that portion of the allocation area that is located in the redevelopment project area alone, that portion of the allocation area that is located in an additional area alone, or the entire allocation area."

Page 34, line 35, delete "(j);" and insert "**(i)**";

Page 35, line 5, delete "(j);" and insert "**(i)**";

Page 35, line 21, delete "(j)." and insert "**(i)**."

Page 35, line 26, delete "(j)." and insert "**(i)**."

Page 36, line 8, delete "A" and insert "**Subject to subsection (k), a**".

Page 36, line 12, delete "A" and insert "**Subject to subsection (k), a**".

Page 39, line 29, delete "(i)," and insert "**(h)**".

Page 40, delete lines 17 through 28.

Page 40, line 29, delete "(d)" and insert "**(c)**".

Page 40, line 36, reset in roman "commission".

Page 40, line 36, delete "fiscal body".

Page 40, line 39, reset in roman "commission".

Page 40, line 39, delete "fiscal body".

Page 41, delete line 1.

Page 41, line 2, delete "with the written notice."

Page 41, line 4, after "the" reset in roman "commission".

Page 41, line 4, delete "fiscal body."

Page 41, line 4, after "The" reset in roman "commission".

Page 41, line 4, delete "fiscal".

Page 41, line 5, delete "body".

Page 41, line 9, delete "(e)" and insert "**(d)**".

Page 41, line 17, delete "(f)" and insert "**(e)**".

Page 41, line 21, delete "(g)" and insert "**(f)**".

Page 41, line 25, delete "(h)" and insert "**(g)**".

Page 41, line 33, delete "(i)" and insert "**(h)**".

Page 42, line 23, delete "(j)" and insert "**(i)**".



Page 43, line 12, delete "(k)" and insert "(j)".

Page 43, between lines 26 and 27, begin a new paragraph and insert:

"(k) After June 30, 2014, a redevelopment commission may not adopt a proposed declaratory resolution or an amendment to a declaratory resolution that includes a provision for the allocation and distribution of property taxes in accordance with subsection (b) if the allocation provision would establish or enlarge an allocation area in such a manner that, if the resolution or amendment were adopted:

(1) the aggregate geographic area included in allocation areas within the county would exceed twelve percent (12%) of the geographic area of the county; or

(2) the aggregate base assessed value included in allocation areas within the county would exceed twelve percent (12%) of the assessed value of property in the county;

unless each taxing unit wholly or partially located within the allocation area first adopts a resolution approving the proposed declaratory resolution or amendment to a declaratory resolution."

Page 43, line 35, delete "39(j)" and insert "**39(i)**".

Page 47, line 4, delete "39(j)" and insert "**39(i)**".

Page 48, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 35. IC 36-7-15.1-26, AS AMENDED BY P.L.112-2012, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 8 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection ~~(h)~~; **(i); plus**

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a



declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection ~~(h)~~; **(i)**; plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection ~~(h)~~; **(i)**.

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection ~~(h)~~; **(i)**.

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

"Obligation" includes currently outstanding bonds, leases, and contracts.

Except as provided in section 26.2 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment



commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) **Subject to subsection (k)**, a resolution adopted under section 8 of this chapter on or before the allocation deadline determined under subsection (†) (j) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. **Subject to subsection (k)**, a resolution previously adopted may include an allocation provision by the amendment of that resolution on or before the allocation deadline determined under subsection (†) (j) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

- (1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:
 - (A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;
 - or



(B) the base assessed value;
shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the consolidated city to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 17.1 of this chapter.

(G) Reimburse the consolidated city for expenditures for local public improvements (which include buildings, parking facilities, and other items set forth in section 17 of this chapter) that are physically located in or physically connected to that allocation area.



(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

- (i) in the allocation area; and
- (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(J) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

- (i) Make, when due, any payments required under clauses (A) through (I), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.
- (ii) Make any reimbursements required under this subdivision.
- (iii) Pay any expenses required under this subdivision.
- (iv) Establish, augment, or restore any debt service reserve under this subdivision.

The special fund may not be used for operating expenses of the commission.

(4) Before July 15 of each year, the commission shall ~~do the following:~~ **conduct a public hearing. Notice of the hearing shall be given in accordance with IC 5-3-1. The commission shall also provide a copy of the notice to the department of local government finance and each taxing unit within an**



allocation area governed by the commission at least ten (10) days before the hearing. The notice must include:

- (A) estimated incremental revenues for the ensuing year;
- (B) estimated obligations to be paid for the ensuing year;
- (C) actual obligations paid in the previous year; and
- (D) estimated fiscal impact to the taxing units if:
 - (i) the commission captures the amount it intends to capture; and
 - (ii) the commission releases all incremental assessed valuation.

(5) At the close of the hearing, the commission shall:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection ~~(g)~~: (h).

(B) Determine the tax increment replacement amount under IC 6-1.1-21.2-11.

(C) Present an estimate of tax increment revenues and financial obligations for the ensuing year.

~~(B)~~ (c) Following the hearing, the commission shall provide a written notice to the county auditor, the legislative body of the consolidated city, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:

- ~~(i)~~ (1) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in ~~subdivision (1)~~; subsection (b)(1); or
- ~~(ii)~~ (2) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in ~~subdivision (1)~~; subsection (b)(1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would



endanger the interests of the holders of bonds described in ~~subdivision (3)~~: **subsection (b)(3)**.

~~(c)~~ **(d)** For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

- (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (2) the base assessed value.

~~(d)~~ **(e)** Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection ~~(b)(4)~~; **(b)(5)**, be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

~~(e)~~ **(f)** Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

~~(f)~~ **(g)** Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

~~(g)~~ **(h)** If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise



zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

~~(h)~~ (i) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment of real property in an area under IC 6-1.1-4-4 and after each reassessment under a reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the general reassessment, reassessment under the reassessment plan, or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.



(j) The allocation deadline referred to in subsection (b) is determined in the following manner:

- (1) The initial allocation deadline is December 31, 2011.
- (2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.
- (3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:
 - (A) terminates the automatic extension of allocation deadlines under subdivision (2); and
 - (B) specifically designates a particular date as the final allocation deadline.

(k) After June 30, 2014, the commission may not adopt a proposed declaratory resolution or an amendment to a declaratory resolution that includes a provision for the allocation and distribution of property taxes in accordance with subsection (b) if the allocation provision would establish or enlarge an allocation area in such a manner that, if the resolution or amendment were adopted:

- (1) the aggregate geographic area included in allocation areas within the county would exceed ten percent (10%) of the geographic area of the county; or**
- (2) the aggregate base assessed value included in allocation areas within the county would exceed ten percent (10%) of the assessed value of property in the county;**

unless each designated taxing unit wholly or partially located within the redevelopment district first adopts a resolution approving the proposed declaratory resolution or amendment to a declaratory resolution.

SECTION 26. IC 36-7-15.1-26.2, AS AMENDED BY P.L.172-2011, SECTION 153, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26.2. (a) As used in this section, "depreciable personal property" refers to all of the designated taxpayer's depreciable personal property that is located in the allocation area.

(b) As used in this section, "designated taxpayer" means a taxpayer designated by the commission in a declaratory resolution adopted or amended under section 8 or 10.5 of this chapter, and with respect to which the commission finds that:



- (1) taxes to be derived from the taxpayer's depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of that personal property, are needed to pay debt service for bonds issued under section 17 of this chapter or to make payments on leases payable under section 17.1 of this chapter in order to provide local public improvements for a particular allocation area;
- (2) the taxpayer's property in the allocation area will consist primarily of industrial, manufacturing, warehousing, research and development, processing, distribution, transportation, or convention center hotel related projects or regulated amusement devices (as defined in IC 22-12-1-19.1) and related improvements; and
- (3) the taxpayer's property in the allocation area will not consist primarily of retail, commercial, or residential projects, other than an amusement park or tourism industry project.

For purposes of subdivision (3), a convention center hotel project is not considered a retail, commercial, or residential project.

(c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 26(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property of designated taxpayers in accordance with the procedures and limitations set forth in this section and section 26 of this chapter. If such a modification is included in the resolution, for purposes of section 26 of this chapter the term "base assessed value" with respect to the depreciable personal property of designated taxpayers means the net assessed value of the depreciable personal property as finally determined for the assessment date immediately preceding:

- (1) the effective date of the modification, for modifications adopted before July 1, 1995; and
- (2) the adoption date of the modification for modifications adopted after June 30, 1995;

as adjusted under section ~~26(h)~~ **26(i)** of this chapter."

Page 51, line 13, strike "operating".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1266 as introduced.)

BROWN T, Chair

Committee Vote: yeas 16, nays 5.

EH 1266—LS 6991/DI 73



HOUSE MOTION

Mr. Speaker: I move that House Bill 1266 be amended to read as follows:

Page 26, line 4, after "counties" delete "." and insert "**and also has total annual appropriations of more than two million dollars (\$2,000,000).**".

Page 27, line 8, after "county" delete ";" and insert "**or, in the case of a public library that governs a taxing district within at least two (2) counties, has total annual appropriations of not more than two million dollars (\$2,000,000);**".

(Reference is to HB 1266 as printed January 28, 2014.)

NEGELE

 HOUSE MOTION

Mr. Speaker: I move that House Bill 1266 be amended to read as follows:

Page 33, between lines 12 and 13, begin a new paragraph and insert:
 "SECTION 29. IC 10-19-11 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 11. Public Safety Equipment Revolving Loan Fund

Sec. 1. As used in this chapter, "division" refers to the division of preparedness and training established by IC 10-19-5-1.

Sec. 2. As used in this chapter, "fund" refers to the public safety equipment revolving loan fund established by section 6 of this chapter.

Sec. 3. As used in this chapter, "public safety equipment" includes new or used equipment or apparatus for firefighting, law enforcement, emergency medical, or other emergency services.

Sec. 4. As used in this chapter, "purchaser" has the meaning set forth in IC 4-13-1-25(c).

Sec. 5. As used in this chapter, "qualified purchaser" means a purchaser that the division has approved for a loan from the fund.

Sec. 6. (a) The public safety equipment revolving loan fund is established to:

- (1) provide loans to purchasers for the purchase of public safety equipment; and**
- (2) pay the costs of administering this chapter.**



(b) The division shall administer the fund.

(c) The fund consists of the following:

(1) Amounts appropriated to the fund by the general assembly.

(2) Repayment proceeds, including interest, of loans made from the fund.

(3) Donations, grants, and money received from any other source.

(4) Amounts transferred to the fund under IC 22-14-6-9.

(d) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(e) Money in the fund at the end of a fiscal year does not revert to the state general fund.

(f) The fund is subject to an annual audit by the state board of accounts. The cost of the audit shall be paid from the fund.

Sec. 7. (a) The division shall do the following:

(1) Establish the policies and procedures to be used in administering the fund.

(2) Specify the information that a purchaser must submit with a loan application.

(3) Establish a loan priority rating system.

(4) Prescribe the forms to be used in administering the fund.

(5) Prescribe the persons authorized to execute loan documents on behalf of a qualified purchaser.

(6) Take other actions necessary to implement this chapter.

(b) The executive director, in consultation with the division, may adopt rules under IC 4-22-2 to implement this section.

(c) The division may enter into contracts necessary to administer this chapter, including contracts for the servicing of loans.

Sec. 8. The total amount of loans under this chapter that may be outstanding at any time may not exceed five million dollars (\$5,000,000).

Sec. 9. The total amount of loans under this chapter that may be outstanding at any time to a single loan recipient may not exceed one hundred fifty thousand dollars (\$150,000).

Sec. 10. (a) The division shall do the following:

(1) Review and approve or disapprove applications for loans from the fund.

(2) Establish the terms of loans from the fund.

(3) Manage loans from the fund.



(b) The division shall review applications for loans from the fund on June 1 and December 1 of each calendar year. The deadline for submitting an application is:

- (1) May 17, to be eligible for review on June 1; or
- (2) November 16, to be eligible for review on December 1.

An application received after a deadline has passed is eligible for review on the next review date.

Sec. 11. (a) The division shall assign a loan priority rating to each application under this chapter.

(b) A loan priority rating must be assigned in conformity with the loan priority rating system established under section 7(a)(3) of this chapter.

(c) A loan priority rating that is assigned to an applicant must reflect the need of the applicant relative to the need of all other applicants during the same review period.

(d) The division shall make loans available to qualified purchasers in descending order beginning with the qualified purchaser with the highest loan priority rating.

Sec. 12. A loan under this chapter is subject to the following conditions:

- (1) The qualified purchaser may use the loan only for:
 - (A) the purchase of public safety equipment; and
 - (B) legal or other incidental expenses directly related to acquiring the public safety equipment.
- (2) The repayment period may not exceed seven (7) years.
- (3) The amount of the loan may not be less than ten thousand dollars (\$10,000).
- (4) The interest rate is to be set by the state board of finance at a rate that is not more than two percent (2%) below the prime bank lending rate prevailing at the time the application is approved.
- (5) All interest reverts to the fund.
- (6) The loan must be repaid in installments, including interest on the unpaid balance of the loan.
- (7) The repayment of principal may be deferred for a period not to exceed two (2) years.
- (8) The repayment of the loan may be limited to a specified revenue source of the recipient. If the repayment is limited under this subdivision, the repayment:
 - (A) is not a general obligation of the recipient; and
 - (B) is payable solely from the specified revenue source.
- (9) The loan is not subject to a prepayment penalty.



(10) The division shall have a security interest for the balance of the loan, accrued interest, penalties, and collection expenses in the public safety equipment purchased with the proceeds of the loan.

(11) Any other conditions the division considers appropriate.

Sec. 13. Notwithstanding any other law, a loan to a qualified purchaser under this chapter may be directly negotiated with the division without public sale of bonds or other evidences of indebtedness of the qualified purchaser.

Sec. 14. Before applying for a loan under this chapter, a purchaser must obtain the approval of the fiscal unit of the purchaser, or the fiscal unit that contracts with the purchaser, if:

(1) the fiscal unit provides more than twenty-five percent (25%) of the purchaser's revenue in the year the purchaser applies for the loan; and

(2) any part of the loan will be repaid from funds paid to the purchaser by the fiscal unit.

Sec. 15. A loan from the fund does not constitute the lending of credit by the state for purposes of any other statute or the Constitution of the State of Indiana.

Sec. 16. If a qualified purchaser fails to repay a loan under this chapter or is in any way indebted to the fund for any amount incurred or accrued, the amount payable may be recovered in an action by the state on relation of the department that is prosecuted by the attorney general in the circuit or superior court of the county in which the recipient is located.

SECTION 30. IC 22-14-6-8 IS REPEALED [EFFECTIVE JULY 1, 2014]. Sec. 8: (a) Notwithstanding the repeal of IC 22-14-5, the firefighting and emergency equipment revolving loan fund established by IC 22-14-5-1 (before its repeal) remains in existence after June 30, 2007; if any money remains in the fund on June 30, 2007. Money that remains in the firefighting and emergency equipment revolving loan fund on June 30, 2007, does not revert to the state general fund. Deposits or transfers may not be made to the firefighting and emergency equipment revolving loan fund; and new loans may not be made from the firefighting and emergency equipment revolving loan fund after June 30, 2007.

(b) Money remaining in the firefighting and emergency equipment revolving loan fund on June 30, 2007; must be transferred before August 1, 2007; to the fund.

(c) If money in the firefighting and emergency equipment revolving loan fund is transferred under subsection (b); the firefighting and



emergency equipment revolving loan fund is abolished immediately after the transfer under subsection (b) is completed.

(d) Notwithstanding the repeal of IC 22-14-5, if a loan provided under IC 22-14-5-1 (before its repeal) remains outstanding on June 30, 2007; the qualified entity to whom the loan was provided shall repay the loan; subject to the original terms and conditions of the loan; to the department of homeland security established by IC 10-19-2-1 for deposit in the fund.

(e) This section expires on the later of the following:

(1) August 1, 2007.

(2) The date on which the last outstanding loan provided under IC 22-14-5-1 (before its repeal) is repaid to the department of homeland security under subsection (d).

SECTION 31. IC 22-14-6-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 9. (a) Not later than December 1, 2014, the division shall transfer from the fund to the public safety equipment revolving loan fund established by IC 10-19-11-6 an amount equal to the amount of any loan repayments deposited in the fund under section 8(d) of this chapter (before its repeal).**

(b) This section expires on the earlier of the following dates:

(1) The date on which the transfer described in subsection (a) is complete.

(2) January 1, 2015."

Page 63, between lines 8 and 9, begin a new paragraph and insert:

"SECTION 44. IC 36-8-12-13, AS AMENDED BY P.L.208-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 13. (a) Except as provided in subsection (b), the volunteer fire department that responds first to an incident may impose a charge on the owner of property, the owner of a vehicle, or a responsible party (as defined in IC 13-11-2-191(e)) that is involved in a hazardous material or fuel spill or chemical or hazardous material related fire (as defined in IC 13-11-2-96(b)):**

(1) that is responded to by the volunteer fire department; and

(2) that members of that volunteer fire department assisted in extinguishing, containing, or cleaning up.

A second or subsequently responding volunteer fire department may not impose a charge on an owner or responsible party under this section, although it may be entitled to reimbursement from the first responding volunteer fire department in accordance with an interlocal or other agreement.

(b) A volunteer fire department that is funded, in whole or in part:

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(1) by taxes imposed by a unit; or

(2) by a contract with a unit;

may not impose a charge under subsection (a) on a natural person who resides or pays property taxes within the boundaries of the unit described in subdivision (1) or (2), unless the spill or the chemical or hazardous material fire poses an imminent threat to persons or property.

(c) The volunteer fire department shall bill the owner or responsible party of the vehicle for the total dollar value of the assistance that was provided, with that value determined by a method that the state fire marshal shall establish under section 16 of this chapter. A copy of the fire incident report to the state fire marshal must accompany the bill. This billing must take place within thirty (30) days after the assistance was provided. The owner or responsible party shall remit payment directly to the governmental unit providing the service. Any money that is collected under this section may be:

(1) deposited in the township firefighting fund established in IC 36-8-13-4;

(2) used to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus, **including a loan made from the public safety equipment revolving loan fund under IC 10-19-11 for the purchase of public safety equipment;** or

(3) used for the purchase of equipment, buildings, and property for firefighting, fire protection, and other emergency services.

(d) Any administrative fees charged by a fire department's agent must be paid only from fees that are collected and allowed by Indiana law and the fire marshal's schedule of fees.

(e) An agent who processes fees on behalf of a fire department shall send all bills, notices, and other related materials to both the fire department and the person being billed for services.

(f) All fees allowed by Indiana law and the fire marshal's fee schedule must be itemized separately from any other charges.

(g) The volunteer fire department may maintain a civil action to recover an unpaid charge that is imposed under subsection (a) and may, if it prevails, recover all costs of the action, including reasonable attorney's fees.

SECTION 45. IC 36-8-12-16, AS AMENDED BY P.L.208-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) A volunteer fire department that provides



service within a jurisdiction served by the department may establish a schedule of charges for the services that the department provides not to exceed the state fire marshal's recommended schedule for services. The volunteer fire department or its agent may collect a service charge according to this schedule from the owner of property that receives service if the following conditions are met:

- (1) At the following times, the department gives notice under IC 5-3-1-4(d) in each political subdivision served by the department of the amount of the service charge for each service that the department provides:
 - (A) Before the schedule of service charges is initiated.
 - (B) When there is a change in the amount of a service charge.
- (2) The property owner has not sent written notice to the department to refuse service by the department to the owner's property.
- (3) The bill for payment of the service charge:
 - (A) is submitted to the property owner in writing within thirty (30) days after the services are provided;
 - (B) includes a copy of a fire incident report in the form prescribed by the state fire marshal, if the service was provided for an event that requires a fire incident report;
 - (C) must contain verification that the bill has been approved by the chief of the volunteer fire department; and
 - (D) must contain language indicating that correspondence from the property owner and any question from the property owner regarding the bill should be directed to the department.
- (4) Payment is remitted directly to the governmental unit providing the service.
 - (b) A volunteer fire department shall use the revenue collected from the fire service charges under this section:
 - (1) for the purchase of equipment, buildings, and property for firefighting, fire protection, or other emergency services;
 - (2) for deposit in the township firefighting fund established under IC 36-8-13-4; or
 - (3) to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus, **including a loan made from the public safety equipment revolving loan fund under IC 10-19-11 for the purchase of public safety equipment.**
 - (c) Any administrative fees charged by a fire department's agent must be paid only from fees that are collected and allowed by Indiana



law and the fire marshal's schedule of fees.

(d) An agent who processes fees on behalf of a fire department shall send all bills, notices, and other related materials to both the fire department and the person being billed for services.

(e) All fees allowed by Indiana law and the fire marshal's fee schedule must be itemized separately from any other charges.

(f) If at least twenty-five percent (25%) of the money received by a volunteer fire department for providing fire protection or emergency services is received under one (1) or more contracts with one (1) or more political subdivisions (as defined in IC 34-6-2-110), the legislative body of a contracting political subdivision must approve the schedule of service charges established under subsection (a) before the schedule of service charges is initiated in that political subdivision.

(g) A volunteer fire department that:

- (1) has contracted with a political subdivision to provide fire protection or emergency services; and
- (2) charges for services under this section;

must submit a report to the legislative body of the political subdivision before April 1 of each year indicating the amount of service charges collected during the previous calendar year and how those funds have been expended.

(h) The state fire marshal shall annually prepare and publish a recommended schedule of service charges for fire protection services.

(i) The volunteer fire department or its agent may maintain a civil action to recover an unpaid service charge under this section and may, if it prevails, recover all costs of the action, including reasonable attorney's fees.

SECTION 46. IC 36-8-12-17, AS AMENDED BY P.L.208-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) If a political subdivision has not imposed its own false alarm fee or service charge, a volunteer fire department that provides service within the jurisdiction may establish a service charge for responding to false alarms. The volunteer fire department may collect the false alarm service charge from the owner of the property if the volunteer fire department dispatches firefighting apparatus or personnel to a building or premises in the township in response to:

- (1) an alarm caused by improper installation or improper maintenance; or
- (2) a drill or test, if the fire department is not previously notified that the alarm is a drill or test.

However, if the owner of property that constitutes the owner's residence



establishes that the alarm is under a maintenance contract with an alarm company and that the alarm company has been notified of the improper installation or maintenance of the alarm, the alarm company is liable for the payment of the fee or service charge.

(b) Before establishing a false alarm service charge, the volunteer fire department must provide notice under IC 5-3-1-4(d) in each political subdivision served by the department of the amount of the false alarm service charge. The notice required by this subsection must be given:

- (1) before the false alarm service charge is initiated; and
- (2) before a change in the amount of the false alarm service charge.

(c) A volunteer fire department may not collect a false alarm service charge from a property owner or alarm company unless the department's bill for payment of the service charge:

- (1) is submitted to the property owner in writing within thirty (30) days after the false alarm; and
- (2) includes a copy of a fire incident report in the form prescribed by the state fire marshal.

(d) A volunteer fire department shall use the money collected from the false alarm service charge imposed under this section:

- (1) for the purchase of equipment, buildings, and property for fire fighting, fire protection, or other emergency services;
- (2) for deposit in the township firefighting fund established under IC 36-8-13-4; or
- (3) to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus, **including a loan made from the public safety equipment revolving loan fund under IC 10-19-11 for the purchase of public safety equipment.**

(e) If at least twenty-five percent (25%) of the money received by a volunteer fire department for providing fire protection or emergency services is received under one (1) or more contracts with one (1) or more political subdivisions (as defined in IC 34-6-2-110), the legislative body of a contracting political subdivision must approve the false alarm service charge established under subsection (a) before the service charge is initiated in that political subdivision.

(f) A volunteer fire department that:

- (1) has contracted with a political subdivision to provide fire protection or emergency services; and
- (2) imposes a false alarm service charge under this section;



must submit a report to the legislative body of the political subdivision before April 1 of each year indicating the amount of false alarm charges collected during the previous calendar year and how those funds have been expended.

(g) The volunteer fire department may maintain a civil action to recover unpaid false alarm service charges imposed under this section and may, if it prevails, recover all costs of the action, including reasonable attorney's fees."

Renumber all SECTIONS consecutively.

(Reference is to HB 1266 as printed January 28, 2014.)

MACER

HOUSE MOTION

Mr. Speaker: I move that House Bill 1266 be amended to read as follows:

Page 53, between lines 19 and 20, begin a new paragraph and insert:

""Designated taxing unit" means a municipality, a township, a school corporation, a library, a public transportation corporation, and a health and hospital corporation."

Page 62, reset in roman lines 6 through 21.

(Reference is to HB 1266 as printed January 28, 2014.)

PRYOR



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1266, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 4, line 7, delete "IC 36-7-14-39(i)" and insert "**IC 36-7-14-39(j)**".

Page 4, line 7, strike "IC 36-7-15.1-26(g)." and insert "**IC 36-7-15.1-26(h)**".

Page 5, line 15, delete "to the electric rail service fund established by" and insert "**for railroad car maintenance and improvements provided under IC 6-1.1-8.2.**".

Page 5, delete line 16.

Page 19, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 20. IC 6-1.1-15-12, AS AMENDED BY P.L.172-2011, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Subject to the limitations contained in subsections (c), ~~and~~ (d), **and (i)**, a county auditor shall correct errors which are discovered in the tax duplicate for any one (1) or more of the following reasons:

- (1) The description of the real property was in error.
- (2) The assessment was against the wrong person.
- (3) Taxes on the same property were charged more than one (1) time in the same year.
- (4) There was a mathematical error in computing the taxes or penalties on the taxes.
- (5) There was an error in carrying delinquent taxes forward from one (1) tax duplicate to another.
- (6) The taxes, as a matter of law, were illegal.
- (7) There was a mathematical error in computing an assessment.
- (8) Through an error of omission by any state or county officer, the taxpayer was not given:

- (A) the proper credit under IC 6-1.1-20.6-7.5 for property taxes imposed for an assessment date after January 15, 2011;
- (B) any other credit permitted by law;
- (C) an exemption permitted by law; or
- (D) a deduction permitted by law.

(b) **Subject to subsection (i)**, the county auditor shall correct an error described under subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when the county auditor finds that the error exists.

(c) If the tax is based on an assessment made or determined by the



department of local government finance, the county auditor shall not correct an error described under subsection (a)(6), (a)(7), or (a)(8) until after the correction is either approved by the department of local government finance or ordered by the tax court.

(d) If the tax is not based on an assessment made or determined by the department of local government finance, the county auditor shall correct an error described under subsection (a)(6), (a)(7), or (a)(8) only if the correction is first approved by at least two (2) of the following officials:

- (1) The township assessor (if any).
- (2) The county auditor.
- (3) The county assessor.

If two (2) of these officials do not approve such a correction, the county auditor shall refer the matter to the county board for determination. The county board shall provide a copy of the determination to the taxpayer and to the county auditor.

(e) A taxpayer may appeal a determination of the county board to the Indiana board for a final administrative determination. An appeal under this section shall be conducted in the same manner as appeals under sections 4 through 8 of this chapter. The Indiana board shall send the final administrative determination to the taxpayer, the county auditor, the county assessor, and the township assessor (if any).

(f) If a correction or change is made in the tax duplicate after it is delivered to the county treasurer, the county auditor shall transmit a certificate of correction to the county treasurer. The county treasurer shall keep the certificate as the voucher for settlement with the county auditor.

(g) A taxpayer that files a personal property tax return under IC 6-1.1-3 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's personal property tax return. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's personal property tax return, the taxpayer must instead file an amended personal property tax return under IC 6-1.1-3-7.5.

(h) A taxpayer that files a statement under IC 6-1.1-8-19 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's statement. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's statement, the taxpayer must instead initiate an objection under IC 6-1.1-8-28 or an appeal under IC 6-1.1-8-30.

(i) A taxpayer is not entitled to relief under this section unless the taxpayer files a petition to correct an error:



(1) with the auditor of the county in which the taxes were originally paid; and

(2) within three (3) years after the taxes were first due."

Page 21, delete lines 12 through 42.

Page 22, delete lines 1 through 26.

Page 25, line 24, reset in roman "a public library" and insert **"that has its proposed budget and proposed property tax levy approved under section 20.3 of this chapter"**.

Page 25, line 25, reset in roman "or".

Page 25, line 26, after "." insert **"The term includes a public library that has a taxing district located within at least two (2) counties."**

Page 26, delete lines 25 through 42, begin a new paragraph and insert:

"SECTION 23. IC 6-1.1-17-20.3, AS ADDED BY P.L.137-2012, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 20.3. (a) This section applies only to the governing body of a public library that:

(1) governs a taxing district that is located within a single county;

~~(1)~~ **(2)** is not comprised of a majority of officials who are elected to serve on the governing body; and

~~(2)~~ **(3)** has a percentage increase in the proposed budget for the taxing unit for the ensuing calendar year that is more than the result of:

(A) the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the ensuing calendar year; minus

(B) one (1).

For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.

(b) This section does not apply to an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) If:

(1) the assessed valuation of a public library is entirely contained within a city or town; or

(2) the assessed valuation of a public library is not entirely contained within a city or town but the public library was originally established by the city or town;



the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body in the manner prescribed by the department of local government finance before September 2 of a year. However, the governing body shall submit its proposed budget and property tax levy to the county fiscal body in the manner provided in subsection (d), rather than to the city or town fiscal body, if more than fifty percent (50%) of the parcels of real property within the jurisdiction of the public library are located outside the city or town.

(d) If subsection (c) does not apply, the governing body of the public library shall submit its proposed budget and property tax levy to the county fiscal body in the county where the public library has the most assessed valuation. The proposed budget and levy shall be submitted to the county fiscal body in the manner prescribed by the department of local government finance before September 2 of a year.

(e) The fiscal body of the city, town, or county (whichever applies) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the public library. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

(f) If a public library fails to file the information required in subsection (c) or (d), whichever applies, with the appropriate fiscal body by the time prescribed by this section, the most recent annual appropriations and annual tax levy of that public library are continued for the ensuing budget year.

(g) If the appropriate fiscal body fails to complete the requirements of subsection (e) before the adoption deadline in section 5 of this chapter for any public library subject to this section, the most recent annual appropriations and annual tax levy of the city, town, or county, whichever applies, are continued for the ensuing budget year.

SECTION 24. IC 6-1.1-18-5, AS AMENDED BY P.L.137-2012, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) If the proper officers of a political subdivision desire to appropriate more money for a particular year than the amount prescribed in the budget for that year as finally determined under this article, they shall give notice of their proposed additional appropriation. The notice shall state the time and place at which a public hearing will be held on the proposal. The notice shall be given once in accordance with IC 5-3-1-2(b).

(b) If the additional appropriation by the political subdivision is made from a fund that receives:

- (1) distributions from the motor vehicle highway account established under IC 8-14-1-1 or the local road and street account established under IC 8-14-2-4; or



(2) revenue from property taxes levied under IC 6-1.1; the political subdivision must report the additional appropriation to the department of local government finance. If the additional appropriation is made from a fund described under this subsection, subsections (f), (g), (h), and (i) apply to the political subdivision.

(c) However, if the additional appropriation is not made from a fund described under subsection (b), subsections (f), (g), (h), and (i) do not apply to the political subdivision. Subsections (f), (g), (h), and (i) do not apply to an additional appropriation made from the cumulative bridge fund if the appropriation meets the requirements under IC 8-16-3-3(c).

(d) A political subdivision may make an additional appropriation without approval of the department of local government finance if the additional appropriation is made from a fund that is not described under subsection (b). However, the fiscal officer of the political subdivision shall report the additional appropriation to the department of local government finance.

(e) After the public hearing, the proper officers of the political subdivision shall file a certified copy of their final proposal and any other relevant information to the department of local government finance.

(f) When the department of local government finance receives a certified copy of a proposal for an additional appropriation under subsection (e), the department shall determine whether sufficient funds are available or will be available for the proposal. The determination shall be made in writing and sent to the political subdivision not more than fifteen (15) days after the department of local government finance receives the proposal.

(g) In making the determination under subsection (f), the department of local government finance shall limit the amount of the additional appropriation to revenues available, or to be made available, which have not been previously appropriated.

(h) If the department of local government finance disapproves an additional appropriation under subsection (f), the department shall specify the reason for its disapproval on the determination sent to the political subdivision.

(i) A political subdivision may request a reconsideration of a determination of the department of local government finance under this section by filing a written request for reconsideration. A request for reconsideration must:

(1) be filed with the department of local government finance within fifteen (15) days of the receipt of the determination by the



political subdivision; and

(2) state with reasonable specificity the reason for the request.

The department of local government finance must act on a request for reconsideration within fifteen (15) days of receiving the request.

(j) This subsection applies to an additional appropriation by a political subdivision that must have the political subdivision's annual appropriations and annual tax levy adopted by a city, town, or county fiscal body under IC 6-1.1-17-20 or by a legislative or fiscal body under IC 36-3-6-9. The fiscal or legislative body of the city, town, or county that adopted the political subdivision's annual appropriation and annual tax levy must adopt the additional appropriation by ordinance before the department of local government finance may approve the additional appropriation.

(k) This subsection applies to a public library that:

(1) is required to submit the public library's budgets, tax rates, and tax levies for nonbinding review under IC 6-1.1-17-3.5; and

(2) is not required to submit the public library's budgets, tax rates, and tax levies for binding review and approval under IC 6-1.1-17-20.

If a public library subject to this subsection proposes to make an additional appropriation for a year, and the additional appropriation would result in the budget for the library for that year increasing (as compared to the previous year) by a percentage that is greater than the result of the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the calendar year minus one (1), the additional appropriation must first be approved by the city, town, or county fiscal body described in IC 6-1.1-17-20.3(c) or ~~IC 6-1.1-17-20(d)~~; **IC 6-1.1-17-20.3(d)**, as appropriate."

Delete pages 27 through 28.

Page 29, delete lines 1 through 35, begin a new paragraph and insert:

"SECTION 26. IC 6-1.1-18-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 22. (a) As used in this section, "qualified taxing unit" refers to the following taxing units:**

(1) DeKalb County.

(2) The town of Middlebury in Elkhart County.

(b) Before July 1, 2014, the department shall calculate and certify to the fiscal body of a qualified taxing unit the result of:

(1) the amount of the property tax levy that could have been imposed for property taxes first due and payable in 2014, if the budgets and levies of the qualified taxing unit had been



properly advertised; minus

(2) the amount of the property tax levy approved by the department under IC 6-1.1-17 for property taxes first due and payable in calendar year 2014, after reducing the qualified taxing unit's budget and property tax levy because the qualified taxing unit's budget and property tax levy information were not properly advertised.

(c) After receiving the certifications required under subsection (b), the fiscal body of a qualified taxing unit may adopt an ordinance authorizing the qualified taxing unit to borrow money from a financial institution to replace part or all of the amount certified under subsection (b).

(d) If a qualified taxing unit receives a loan under this section, the fiscal officer of the qualified taxing unit shall deposit the loan in each fund affected by the reduction of the qualified taxing unit's budget and property tax levy. The amount deposited may be used for any of the lawful purposes of that fund.

(e) If a qualified taxing unit borrows money under subsection (c), the qualified taxing unit shall impose a property tax levy in calendar year 2015 for the qualified taxing unit's debt service fund to repay the total amount borrowed. The property tax levy under this subsection must be treated as:

- (1) protected taxes (as defined in IC 6-1.1-20.6-9.8); and
- (2) property taxes that are exempt from the levy limitations of IC 6-1.1-18.5.

(f) This section expires June 30, 2016."

Page 34, between lines 20 and 21, begin a new paragraph and insert:
 "SECTION 32. IC 36-7-14-15.5, AS AMENDED BY P.L. 119-2012, SECTION 206, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15.5. (a) This section applies to a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000).

(b) In adopting a declaratory resolution under section 15 of this chapter, a redevelopment commission may include a provision stating that the redevelopment project area is considered to include one (1) or more additional areas outside the boundaries of the redevelopment project area if the redevelopment commission makes the following findings and the requirements of subsection (c) are met:

- (1) One (1) or more taxpayers presently located within the boundaries of the redevelopment project area are expected within one (1) year to relocate all or part of their operations outside the boundaries of the redevelopment project area and have expressed



an interest in relocating all or part of their operations within the boundaries of an additional area.

(2) The relocation described in subdivision (1) will contribute to the continuation of the conditions described in IC 36-7-1-3 in the redevelopment project area.

(3) For purposes of this section, it will be of public utility and benefit to include the additional areas as part of the redevelopment project area.

(c) Each additional area must be designated by the redevelopment commission as a redevelopment project area or an economic development area under this chapter.

(d) Notwithstanding section 3 of this chapter, the additional areas shall be considered to be a part of the redevelopment special taxing district under the jurisdiction of the redevelopment commission. Any excess property taxes that the commission has determined may be paid to taxing units under section ~~39(b)(4)~~ **(39)(b)(5)** of this chapter shall be paid to the taxing units from which the excess property taxes were derived. All powers of the redevelopment commission authorized under this chapter may be exercised by the redevelopment commission in additional areas under its jurisdiction.

(e) The declaratory resolution must include a statement of the general boundaries of each additional area. However, it is sufficient to describe those boundaries by location in relation to public ways, streams, or otherwise, as determined by the commissioners.

(f) The declaratory resolution may include a provision with respect to the allocation and distribution of property taxes with respect to one (1) or more of the additional areas in the manner provided in section 39 of this chapter. If the redevelopment commission includes such a provision in the resolution, allocation areas in the redevelopment project area and in the additional areas considered to be part of the redevelopment project area shall be considered a single allocation area for purposes of this chapter.

(g) The additional areas must be located within the same county as the redevelopment project area but are not otherwise required to be within the jurisdiction of the redevelopment commission, if the redevelopment commission obtains the consent by ordinance of:

- (1) the county legislative body, for each additional area located within the unincorporated part of the county; or
- (2) the legislative body of the city or town affected, for each additional area located within a city or town.

In granting its consent, the legislative body shall approve the plan of development or redevelopment relating to the additional area.



(h) A declaratory resolution previously adopted may be amended to include a provision to include additional areas as set forth in this section and an allocation provision under section 39 of this chapter with respect to one (1) or more of the additional areas in accordance with sections 15, 16, and 17 of this chapter.

(i) The redevelopment commission may amend the allocation provision of a declaratory resolution in accordance with sections 15, 16, and 17 of this chapter to change the assessment date that determines the base assessed value of property in the allocation area to any assessment date following the effective date of the allocation provision of the declaratory resolution. Such a change may relate to the assessment date that determines the base assessed value of that portion of the allocation area that is located in the redevelopment project area alone, that portion of the allocation area that is located in an additional area alone, or the entire allocation area."

Page 34, line 35, delete "(j);" and insert "**(i)**;"

Page 35, line 5, delete "(j);" and insert "**(i)**;"

Page 35, line 21, delete "(j)." and insert "**(i)**."

Page 35, line 26, delete "(j)." and insert "**(i)**."

Page 36, line 8, delete "A" and insert "**Subject to subsection (k), a**".

Page 36, line 12, delete "A" and insert "**Subject to subsection (k), a**".

Page 39, line 29, delete "(i)," and insert "**(h)**".

Page 40, delete lines 17 through 28.

Page 40, line 29, delete "(d)" and insert "**(c)**".

Page 40, line 36, reset in roman "commission".

Page 40, line 36, delete "fiscal body".

Page 40, line 39, reset in roman "commission".

Page 40, line 39, delete "fiscal body".

Page 41, delete line 1.

Page 41, line 2, delete "with the written notice."

Page 41, line 4, after "the" reset in roman "commission".

Page 41, line 4, delete "fiscal body".

Page 41, line 4, after "The" reset in roman "commission".

Page 41, line 4, delete "fiscal".

Page 41, line 5, delete "body".

Page 41, line 9, delete "(e)" and insert "**(d)**".

Page 41, line 17, delete "(f)" and insert "**(e)**".

Page 41, line 21, delete "(g)" and insert "**(f)**".

Page 41, line 25, delete "(h)" and insert "**(g)**".

Page 41, line 33, delete "(i)" and insert "**(h)**".

Page 42, line 23, delete "(j)" and insert "**(i)**".



Page 43, line 12, delete "(k)" and insert "(j)".

Page 43, between lines 26 and 27, begin a new paragraph and insert:

"(k) After June 30, 2014, a redevelopment commission may not adopt a proposed declaratory resolution or an amendment to a declaratory resolution that includes a provision for the allocation and distribution of property taxes in accordance with subsection (b) if the allocation provision would establish or enlarge an allocation area in such a manner that, if the resolution or amendment were adopted:

(1) the aggregate geographic area included in allocation areas within the county would exceed twelve percent (12%) of the geographic area of the county; or

(2) the aggregate base assessed value included in allocation areas within the county would exceed twelve percent (12%) of the assessed value of property in the county;

unless each taxing unit wholly or partially located within the allocation area first adopts a resolution approving the proposed declaratory resolution or amendment to a declaratory resolution."

Page 43, line 35, delete "39(j)" and insert "**39(i)**".

Page 47, line 4, delete "39(j)" and insert "**39(i)**".

Page 48, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 35. IC 36-7-15.1-26, AS AMENDED BY P.L.112-2012, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 8 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection ~~(h)~~; **(i); plus**

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a



declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection ~~(h)~~; **(i)**; plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection ~~(h)~~; **(i)**.

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection ~~(h)~~; **(i)**.

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

"Obligation" includes currently outstanding bonds, leases, and contracts.

Except as provided in section 26.2 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment



commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) **Subject to subsection (k)**, a resolution adopted under section 8 of this chapter on or before the allocation deadline determined under subsection (†) (j) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. **Subject to subsection (k)**, a resolution previously adopted may include an allocation provision by the amendment of that resolution on or before the allocation deadline determined under subsection (†) (j) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

- (1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:
 - (A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;
 - or



(B) the base assessed value;
shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the consolidated city to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 17.1 of this chapter.

(G) Reimburse the consolidated city for expenditures for local public improvements (which include buildings, parking facilities, and other items set forth in section 17 of this chapter) that are physically located in or physically connected to that allocation area.



(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

- (i) in the allocation area; and
- (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(J) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

- (i) Make, when due, any payments required under clauses (A) through (I), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.
- (ii) Make any reimbursements required under this subdivision.
- (iii) Pay any expenses required under this subdivision.
- (iv) Establish, augment, or restore any debt service reserve under this subdivision.

The special fund may not be used for operating expenses of the commission.

(4) Before July 15 of each year, the commission shall ~~do the following:~~ **conduct a public hearing. Notice of the hearing shall be given in accordance with IC 5-3-1. The commission shall also provide a copy of the notice to the department of local government finance and each taxing unit within an**



allocation area governed by the commission at least ten (10) days before the hearing. The notice must include:

- (A) estimated incremental revenues for the ensuing year;
- (B) estimated obligations to be paid for the ensuing year;
- (C) actual obligations paid in the previous year; and
- (D) estimated fiscal impact to the taxing units if:
 - (i) the commission captures the amount it intends to capture; and
 - (ii) the commission releases all incremental assessed valuation.

(5) At the close of the hearing, the commission shall:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection ~~(g)~~: (h).

(B) Determine the tax increment replacement amount under IC 6-1.1-21.2-11.

(C) Present an estimate of tax increment revenues and financial obligations for the ensuing year.

~~(B)~~ (c) Following the hearing, the commission shall provide a written notice to the county auditor, the legislative body of the consolidated city, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:

- ~~(i)~~ (1) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in ~~subdivision (1)~~; subsection (b)(1); or
- ~~(ii)~~ (2) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in ~~subdivision (1)~~; subsection (b)(1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would



endanger the interests of the holders of bonds described in ~~subsection (3)~~: **subsection (b)(3)**.

~~(c)~~ **(d)** For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

- (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (2) the base assessed value.

~~(d)~~ **(e)** Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection ~~(b)(4)~~; **(b)(5)**, be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

~~(e)~~ **(f)** Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

~~(f)~~ **(g)** Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

~~(g)~~ **(h)** If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise



zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

~~(h)~~ (i) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment of real property in an area under IC 6-1.1-4-4 and after each reassessment under a reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the general reassessment, reassessment under the reassessment plan, or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

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(j) The allocation deadline referred to in subsection (b) is determined in the following manner:

- (1) The initial allocation deadline is December 31, 2011.
- (2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.
- (3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:
 - (A) terminates the automatic extension of allocation deadlines under subdivision (2); and
 - (B) specifically designates a particular date as the final allocation deadline.

(k) After June 30, 2014, the commission may not adopt a proposed declaratory resolution or an amendment to a declaratory resolution that includes a provision for the allocation and distribution of property taxes in accordance with subsection (b) if the allocation provision would establish or enlarge an allocation area in such a manner that, if the resolution or amendment were adopted:

- (1) the aggregate geographic area included in allocation areas within the county would exceed ten percent (10%) of the geographic area of the county; or**
- (2) the aggregate base assessed value included in allocation areas within the county would exceed ten percent (10%) of the assessed value of property in the county;**

unless each designated taxing unit wholly or partially located within the redevelopment district first adopts a resolution approving the proposed declaratory resolution or amendment to a declaratory resolution.

SECTION 26. IC 36-7-15.1-26.2, AS AMENDED BY P.L.172-2011, SECTION 153, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26.2. (a) As used in this section, "depreciable personal property" refers to all of the designated taxpayer's depreciable personal property that is located in the allocation area.

(b) As used in this section, "designated taxpayer" means a taxpayer designated by the commission in a declaratory resolution adopted or amended under section 8 or 10.5 of this chapter, and with respect to which the commission finds that:



(1) taxes to be derived from the taxpayer's depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of that personal property, are needed to pay debt service for bonds issued under section 17 of this chapter or to make payments on leases payable under section 17.1 of this chapter in order to provide local public improvements for a particular allocation area;

(2) the taxpayer's property in the allocation area will consist primarily of industrial, manufacturing, warehousing, research and development, processing, distribution, transportation, or convention center hotel related projects or regulated amusement devices (as defined in IC 22-12-1-19.1) and related improvements; and

(3) the taxpayer's property in the allocation area will not consist primarily of retail, commercial, or residential projects, other than an amusement park or tourism industry project.

For purposes of subdivision (3), a convention center hotel project is not considered a retail, commercial, or residential project.

(c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 26(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property of designated taxpayers in accordance with the procedures and limitations set forth in this section and section 26 of this chapter. If such a modification is included in the resolution, for purposes of section 26 of this chapter the term "base assessed value" with respect to the depreciable personal property of designated taxpayers means the net assessed value of the depreciable personal property as finally determined for the assessment date immediately preceding:

(1) the effective date of the modification, for modifications adopted before July 1, 1995; and

(2) the adoption date of the modification for modifications adopted after June 30, 1995;

as adjusted under section ~~26(h)~~ **26(i)** of this chapter."

Page 51, line 13, strike "operating".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1266 as introduced.)

BROWN T, Chair

Committee Vote: yeas 16, nays 5.

EH 1266—LS 6991/DI 73



HOUSE MOTION

Mr. Speaker: I move that House Bill 1266 be amended to read as follows:

Page 26, line 4, after "counties" delete "." and insert "**and also has total annual appropriations of more than two million dollars (\$2,000,000).**".

Page 27, line 8, after "county" delete ";" and insert "**or, in the case of a public library that governs a taxing district within at least two (2) counties, has total annual appropriations of not more than two million dollars (\$2,000,000);**".

(Reference is to HB 1266 as printed January 28, 2014.)

NEGELE

 HOUSE MOTION

Mr. Speaker: I move that House Bill 1266 be amended to read as follows:

Page 33, between lines 12 and 13, begin a new paragraph and insert:
 "SECTION 29. IC 10-19-11 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 11. Public Safety Equipment Revolving Loan Fund

Sec. 1. As used in this chapter, "division" refers to the division of preparedness and training established by IC 10-19-5-1.

Sec. 2. As used in this chapter, "fund" refers to the public safety equipment revolving loan fund established by section 6 of this chapter.

Sec. 3. As used in this chapter, "public safety equipment" includes new or used equipment or apparatus for firefighting, law enforcement, emergency medical, or other emergency services.

Sec. 4. As used in this chapter, "purchaser" has the meaning set forth in IC 4-13-1-25(c).

Sec. 5. As used in this chapter, "qualified purchaser" means a purchaser that the division has approved for a loan from the fund.

Sec. 6. (a) The public safety equipment revolving loan fund is established to:

- (1) provide loans to purchasers for the purchase of public safety equipment; and**
- (2) pay the costs of administering this chapter.**



(b) The division shall administer the fund.

(c) The fund consists of the following:

- (1) Amounts appropriated to the fund by the general assembly.**
- (2) Repayment proceeds, including interest, of loans made from the fund.**
- (3) Donations, grants, and money received from any other source.**
- (4) Amounts transferred to the fund under IC 22-14-6-9.**

(d) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(e) Money in the fund at the end of a fiscal year does not revert to the state general fund.

(f) The fund is subject to an annual audit by the state board of accounts. The cost of the audit shall be paid from the fund.

Sec. 7. (a) The division shall do the following:

- (1) Establish the policies and procedures to be used in administering the fund.**
- (2) Specify the information that a purchaser must submit with a loan application.**
- (3) Establish a loan priority rating system.**
- (4) Prescribe the forms to be used in administering the fund.**
- (5) Prescribe the persons authorized to execute loan documents on behalf of a qualified purchaser.**
- (6) Take other actions necessary to implement this chapter.**

(b) The executive director, in consultation with the division, may adopt rules under IC 4-22-2 to implement this section.

(c) The division may enter into contracts necessary to administer this chapter, including contracts for the servicing of loans.

Sec. 8. The total amount of loans under this chapter that may be outstanding at any time may not exceed five million dollars (\$5,000,000).

Sec. 9. The total amount of loans under this chapter that may be outstanding at any time to a single loan recipient may not exceed one hundred fifty thousand dollars (\$150,000).

Sec. 10. (a) The division shall do the following:

- (1) Review and approve or disapprove applications for loans from the fund.**
- (2) Establish the terms of loans from the fund.**
- (3) Manage loans from the fund.**



(b) The division shall review applications for loans from the fund on June 1 and December 1 of each calendar year. The deadline for submitting an application is:

- (1) May 17, to be eligible for review on June 1; or
- (2) November 16, to be eligible for review on December 1.

An application received after a deadline has passed is eligible for review on the next review date.

Sec. 11. (a) The division shall assign a loan priority rating to each application under this chapter.

(b) A loan priority rating must be assigned in conformity with the loan priority rating system established under section 7(a)(3) of this chapter.

(c) A loan priority rating that is assigned to an applicant must reflect the need of the applicant relative to the need of all other applicants during the same review period.

(d) The division shall make loans available to qualified purchasers in descending order beginning with the qualified purchaser with the highest loan priority rating.

Sec. 12. A loan under this chapter is subject to the following conditions:

- (1) The qualified purchaser may use the loan only for:
 - (A) the purchase of public safety equipment; and
 - (B) legal or other incidental expenses directly related to acquiring the public safety equipment.
- (2) The repayment period may not exceed seven (7) years.
- (3) The amount of the loan may not be less than ten thousand dollars (\$10,000).
- (4) The interest rate is to be set by the state board of finance at a rate that is not more than two percent (2%) below the prime bank lending rate prevailing at the time the application is approved.
- (5) All interest reverts to the fund.
- (6) The loan must be repaid in installments, including interest on the unpaid balance of the loan.
- (7) The repayment of principal may be deferred for a period not to exceed two (2) years.
- (8) The repayment of the loan may be limited to a specified revenue source of the recipient. If the repayment is limited under this subdivision, the repayment:
 - (A) is not a general obligation of the recipient; and
 - (B) is payable solely from the specified revenue source.
- (9) The loan is not subject to a prepayment penalty.



(10) The division shall have a security interest for the balance of the loan, accrued interest, penalties, and collection expenses in the public safety equipment purchased with the proceeds of the loan.

(11) Any other conditions the division considers appropriate.

Sec. 13. Notwithstanding any other law, a loan to a qualified purchaser under this chapter may be directly negotiated with the division without public sale of bonds or other evidences of indebtedness of the qualified purchaser.

Sec. 14. Before applying for a loan under this chapter, a purchaser must obtain the approval of the fiscal unit of the purchaser, or the fiscal unit that contracts with the purchaser, if:

(1) the fiscal unit provides more than twenty-five percent (25%) of the purchaser's revenue in the year the purchaser applies for the loan; and

(2) any part of the loan will be repaid from funds paid to the purchaser by the fiscal unit.

Sec. 15. A loan from the fund does not constitute the lending of credit by the state for purposes of any other statute or the Constitution of the State of Indiana.

Sec. 16. If a qualified purchaser fails to repay a loan under this chapter or is in any way indebted to the fund for any amount incurred or accrued, the amount payable may be recovered in an action by the state on relation of the department that is prosecuted by the attorney general in the circuit or superior court of the county in which the recipient is located.

SECTION 30. IC 22-14-6-8 IS REPEALED [EFFECTIVE JULY 1, 2014]. Sec. 8: (a) Notwithstanding the repeal of IC 22-14-5, the firefighting and emergency equipment revolving loan fund established by IC 22-14-5-1 (before its repeal) remains in existence after June 30, 2007; if any money remains in the fund on June 30, 2007. Money that remains in the firefighting and emergency equipment revolving loan fund on June 30, 2007, does not revert to the state general fund. Deposits or transfers may not be made to the firefighting and emergency equipment revolving loan fund; and new loans may not be made from the firefighting and emergency equipment revolving loan fund after June 30, 2007.

(b) Money remaining in the firefighting and emergency equipment revolving loan fund on June 30, 2007; must be transferred before August 1, 2007; to the fund.

(c) If money in the firefighting and emergency equipment revolving loan fund is transferred under subsection (b); the firefighting and



emergency equipment revolving loan fund is abolished immediately after the transfer under subsection (b) is completed.

(d) Notwithstanding the repeal of IC 22-14-5, if a loan provided under IC 22-14-5-1 (before its repeal) remains outstanding on June 30, 2007, the qualified entity to whom the loan was provided shall repay the loan, subject to the original terms and conditions of the loan, to the department of homeland security established by IC 10-19-2-1 for deposit in the fund.

(e) This section expires on the later of the following:

(1) August 1, 2007.

(2) The date on which the last outstanding loan provided under IC 22-14-5-1 (before its repeal) is repaid to the department of homeland security under subsection (d).

SECTION 31. IC 22-14-6-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 9. (a) Not later than December 1, 2014, the division shall transfer from the fund to the public safety equipment revolving loan fund established by IC 10-19-11-6 an amount equal to the amount of any loan repayments deposited in the fund under section 8(d) of this chapter (before its repeal).**

(b) This section expires on the earlier of the following dates:

(1) The date on which the transfer described in subsection (a) is complete.

(2) January 1, 2015."

Page 63, between lines 8 and 9, begin a new paragraph and insert:

"SECTION 44. IC 36-8-12-13, AS AMENDED BY P.L.208-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 13. (a) Except as provided in subsection (b), the volunteer fire department that responds first to an incident may impose a charge on the owner of property, the owner of a vehicle, or a responsible party (as defined in IC 13-11-2-191(e)) that is involved in a hazardous material or fuel spill or chemical or hazardous material related fire (as defined in IC 13-11-2-96(b)):**

(1) that is responded to by the volunteer fire department; and

(2) that members of that volunteer fire department assisted in extinguishing, containing, or cleaning up.

A second or subsequently responding volunteer fire department may not impose a charge on an owner or responsible party under this section, although it may be entitled to reimbursement from the first responding volunteer fire department in accordance with an interlocal or other agreement.

(b) A volunteer fire department that is funded, in whole or in part:

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(1) by taxes imposed by a unit; or

(2) by a contract with a unit;

may not impose a charge under subsection (a) on a natural person who resides or pays property taxes within the boundaries of the unit described in subdivision (1) or (2), unless the spill or the chemical or hazardous material fire poses an imminent threat to persons or property.

(c) The volunteer fire department shall bill the owner or responsible party of the vehicle for the total dollar value of the assistance that was provided, with that value determined by a method that the state fire marshal shall establish under section 16 of this chapter. A copy of the fire incident report to the state fire marshal must accompany the bill. This billing must take place within thirty (30) days after the assistance was provided. The owner or responsible party shall remit payment directly to the governmental unit providing the service. Any money that is collected under this section may be:

(1) deposited in the township firefighting fund established in IC 36-8-13-4;

(2) used to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus, **including a loan made from the public safety equipment revolving loan fund under IC 10-19-11 for the purchase of public safety equipment;** or

(3) used for the purchase of equipment, buildings, and property for firefighting, fire protection, and other emergency services.

(d) Any administrative fees charged by a fire department's agent must be paid only from fees that are collected and allowed by Indiana law and the fire marshal's schedule of fees.

(e) An agent who processes fees on behalf of a fire department shall send all bills, notices, and other related materials to both the fire department and the person being billed for services.

(f) All fees allowed by Indiana law and the fire marshal's fee schedule must be itemized separately from any other charges.

(g) The volunteer fire department may maintain a civil action to recover an unpaid charge that is imposed under subsection (a) and may, if it prevails, recover all costs of the action, including reasonable attorney's fees.

SECTION 45. IC 36-8-12-16, AS AMENDED BY P.L.208-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) A volunteer fire department that provides



service within a jurisdiction served by the department may establish a schedule of charges for the services that the department provides not to exceed the state fire marshal's recommended schedule for services. The volunteer fire department or its agent may collect a service charge according to this schedule from the owner of property that receives service if the following conditions are met:

(1) At the following times, the department gives notice under IC 5-3-1-4(d) in each political subdivision served by the department of the amount of the service charge for each service that the department provides:

(A) Before the schedule of service charges is initiated.

(B) When there is a change in the amount of a service charge.

(2) The property owner has not sent written notice to the department to refuse service by the department to the owner's property.

(3) The bill for payment of the service charge:

(A) is submitted to the property owner in writing within thirty (30) days after the services are provided;

(B) includes a copy of a fire incident report in the form prescribed by the state fire marshal, if the service was provided for an event that requires a fire incident report;

(C) must contain verification that the bill has been approved by the chief of the volunteer fire department; and

(D) must contain language indicating that correspondence from the property owner and any question from the property owner regarding the bill should be directed to the department.

(4) Payment is remitted directly to the governmental unit providing the service.

(b) A volunteer fire department shall use the revenue collected from the fire service charges under this section:

(1) for the purchase of equipment, buildings, and property for firefighting, fire protection, or other emergency services;

(2) for deposit in the township firefighting fund established under IC 36-8-13-4; or

(3) to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus, **including a loan made from the public safety equipment revolving loan fund under IC 10-19-11 for the purchase of public safety equipment.**

(c) Any administrative fees charged by a fire department's agent must be paid only from fees that are collected and allowed by Indiana



law and the fire marshal's schedule of fees.

(d) An agent who processes fees on behalf of a fire department shall send all bills, notices, and other related materials to both the fire department and the person being billed for services.

(e) All fees allowed by Indiana law and the fire marshal's fee schedule must be itemized separately from any other charges.

(f) If at least twenty-five percent (25%) of the money received by a volunteer fire department for providing fire protection or emergency services is received under one (1) or more contracts with one (1) or more political subdivisions (as defined in IC 34-6-2-110), the legislative body of a contracting political subdivision must approve the schedule of service charges established under subsection (a) before the schedule of service charges is initiated in that political subdivision.

(g) A volunteer fire department that:

- (1) has contracted with a political subdivision to provide fire protection or emergency services; and
- (2) charges for services under this section;

must submit a report to the legislative body of the political subdivision before April 1 of each year indicating the amount of service charges collected during the previous calendar year and how those funds have been expended.

(h) The state fire marshal shall annually prepare and publish a recommended schedule of service charges for fire protection services.

(i) The volunteer fire department or its agent may maintain a civil action to recover an unpaid service charge under this section and may, if it prevails, recover all costs of the action, including reasonable attorney's fees.

SECTION 46. IC 36-8-12-17, AS AMENDED BY P.L.208-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) If a political subdivision has not imposed its own false alarm fee or service charge, a volunteer fire department that provides service within the jurisdiction may establish a service charge for responding to false alarms. The volunteer fire department may collect the false alarm service charge from the owner of the property if the volunteer fire department dispatches firefighting apparatus or personnel to a building or premises in the township in response to:

- (1) an alarm caused by improper installation or improper maintenance; or
- (2) a drill or test, if the fire department is not previously notified that the alarm is a drill or test.

However, if the owner of property that constitutes the owner's residence



establishes that the alarm is under a maintenance contract with an alarm company and that the alarm company has been notified of the improper installation or maintenance of the alarm, the alarm company is liable for the payment of the fee or service charge.

(b) Before establishing a false alarm service charge, the volunteer fire department must provide notice under IC 5-3-1-4(d) in each political subdivision served by the department of the amount of the false alarm service charge. The notice required by this subsection must be given:

- (1) before the false alarm service charge is initiated; and
- (2) before a change in the amount of the false alarm service charge.

(c) A volunteer fire department may not collect a false alarm service charge from a property owner or alarm company unless the department's bill for payment of the service charge:

- (1) is submitted to the property owner in writing within thirty (30) days after the false alarm; and
- (2) includes a copy of a fire incident report in the form prescribed by the state fire marshal.

(d) A volunteer fire department shall use the money collected from the false alarm service charge imposed under this section:

- (1) for the purchase of equipment, buildings, and property for fire fighting, fire protection, or other emergency services;
- (2) for deposit in the township firefighting fund established under IC 36-8-13-4; or
- (3) to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus, **including a loan made from the public safety equipment revolving loan fund under IC 10-19-11 for the purchase of public safety equipment.**

(e) If at least twenty-five percent (25%) of the money received by a volunteer fire department for providing fire protection or emergency services is received under one (1) or more contracts with one (1) or more political subdivisions (as defined in IC 34-6-2-110), the legislative body of a contracting political subdivision must approve the false alarm service charge established under subsection (a) before the service charge is initiated in that political subdivision.

(f) A volunteer fire department that:

- (1) has contracted with a political subdivision to provide fire protection or emergency services; and
- (2) imposes a false alarm service charge under this section;



must submit a report to the legislative body of the political subdivision before April 1 of each year indicating the amount of false alarm charges collected during the previous calendar year and how those funds have been expended.

(g) The volunteer fire department may maintain a civil action to recover unpaid false alarm service charges imposed under this section and may, if it prevails, recover all costs of the action, including reasonable attorney's fees."

Renumber all SECTIONS consecutively.

(Reference is to HB 1266 as printed January 28, 2014.)

MACER

HOUSE MOTION

Mr. Speaker: I move that House Bill 1266 be amended to read as follows:

Page 53, between lines 19 and 20, begin a new paragraph and insert:

""Designated taxing unit" means a municipality, a township, a school corporation, a library, a public transportation corporation, and a health and hospital corporation."

Page 62, reset in roman lines 6 through 21.

(Reference is to HB 1266 as printed January 28, 2014.)

PRYOR

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1266, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, reset in roman lines 39 through 42.

Page 2, line 42, after "chapter." insert **"This subsection expires January 1, 2016."**

Page 3, reset in roman lines 1 through 6.

Page 3, line 6, after "hearing." insert **"This subsection expires January 1, 2016."**

Page 3, line 9, reset in roman "(a)".

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Page 3, reset in roman lines 17 through 30.

Page 3, line 30, after "subdivision." insert "**This subsection expires January 1, 2016.**".

Page 3, delete lines 31 through 42.

Page 4, delete lines 1 through 36.

Page 21, line 18, after "shall" insert ", **(before January 1, 2016) at least ten (10) days before the public hearing,**".

Page 21, line 27, after "shall" insert "**(before January 1, 2016)**".

Page 21, line 27, reset in roman "publish the notice twice in".

Page 21, reset in roman lines 28 through 31.

Page 21, line 32, reset in roman "the publishing of the notice."

Page 21, line 32, after "notice." insert "**The political subdivision shall**".

Page 21, line 35, after "taxpayers" insert ", **at least ten (10) days before the public hearing,**".

Page 21, line 37, after "request" insert "**mailed**".

Page 21, line 40, after "address." insert "**The department shall review only the submission to the department's computer gateway for compliance with this section.**".

Page 22, line 27, after "not" insert "**(before January 1, 2016) published and is not**".

Page 22, line 31, after "timely" insert "**publishes (before January 1, 2016) and**".

Page 22, line 36, after "gateway" insert "**and (before January 1, 2016) to publish the amended information**".

Page 22, after line 42, begin a new paragraph and insert:

"SECTION 22. IC 6-1.1-17-5.6, AS AMENDED BY P.L.119-2012, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5.6. (a) For budget years beginning before July 1, 2011, this section applies only to a school corporation that is located in a city having a population of more than one hundred thousand (100,000) but less than one hundred ten thousand (110,000). For budget years beginning after June 30, 2011, this section applies to all school corporations. Beginning in 2011, each school corporation may elect to adopt a budget under this section that applies from July 1 of the year through June 30 of the following year. In the initial budget adopted by a school corporation under this section, the first six (6) months of that initial budget must be consistent with the last six (6) months of the budget adopted by the school corporation for the calendar year in which the school corporation elects by resolution to begin adopting budgets that correspond to the state fiscal year. A corporation shall submit a copy of the resolution to the department of



local government finance and the department of education not more than thirty (30) days after the date the governing body adopts the resolution.

(b) Before ~~February~~ **April** 1 of each year, the officers of the school corporation shall meet to fix the budget for the school corporation for the ensuing budget year, with notice given by the same officers. However, if a resolution adopted under subsection (d) is in effect, the officers shall meet to fix the budget for the ensuing budget year before November 1.

(c) Each year, at least two (2) days before the first meeting of the county board of tax adjustment held under IC 6-1.1-29-4, the school corporation shall file with the county auditor:

- (1) a statement of the tax rate and tax levy fixed by the school corporation for the ensuing budget year;
- (2) two (2) copies of the budget adopted by the school corporation for the ensuing budget year; and
- (3) any written notification from the department of local government finance under section 16(i) of this chapter that specifies a proposed revision, reduction, or increase in the budget adopted by the school corporation for the ensuing budget year.

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting under IC 6-1.1-29-4.

(d) The governing body of the school corporation may adopt a resolution to cease using a school year budget year and return to using a calendar year budget year. A resolution adopted under this subsection must be adopted after January 1 and before July 1. The school corporation's initial calendar year budget year following the adoption of a resolution under this subsection begins on January 1 of the year following the year the resolution is adopted. The first six (6) months of the initial calendar year budget for the school corporation must be consistent with the last six (6) months of the final school year budget fixed by the department of local government finance before the adoption of a resolution under this subsection.

(e) A resolution adopted under subsection (d) may be rescinded by a subsequent resolution adopted by the governing body. If the governing body of the school corporation rescinds a resolution adopted under subsection (d) and returns to a school year budget year, the school corporation's initial school year budget year begins on July 1 following the adoption of the rescinding resolution and ends on June 30 of the following year. The first six (6) months of the initial school year budget for the school corporation must be consistent with the last



six (6) months of the last calendar year budget fixed by the department of local government finance before the adoption of a rescinding resolution under this subsection."

Page 25, line 2, after "shall" insert "**, unless the department finds extenuating circumstances,**".

Page 25, line 8, after "site" insert "**and (before January 1, 2016) is published by the political subdivision according to a notice provided by the department**".

Page 25, line 17, delete "a" and insert "**an adopted**".

Page 25, line 18, after "shall" insert "**, unless the department finds extenuating circumstances,**".

Page 25, line 18, after "the" insert "**adopted**".

Page 25, delete lines 30 through 42.

Delete pages 26 through 29.

Page 30, delete lines 1 through 20.

Page 32, delete lines 40 through 42.

Delete pages 33 through 36.

Page 37, delete lines 1 through 40.

Page 38, delete lines 38 through 42.

Delete pages 39 through 71.

Page 72, delete line 1.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1266 as reprinted January 31, 2014.)

HERSHMAN, Chairperson

Committee Vote: Yeas 11, Nays 0.



SENATE MOTION

Madam President: I move that Engrossed House Bill 1266 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-4-28-5, AS AMENDED BY P.L.150-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. As used in this chapter, "individual development account" means an account in a financial institution administered by a community development corporation that allows a qualifying individual to deposit money:

- (1) to be matched by the state, financial institutions, corporations, and other entities; and
- (2) that will be used by the qualifying individual for one (1) or more of the following:

(A) To pay for costs (including tuition, laboratory costs, books, computer costs, and other costs associated with attendance) at an accredited postsecondary educational institution or a vocational school that is not a postsecondary educational institution, for the individual or for a dependent of the individual.

(B) To pay for the costs (including tuition, laboratory costs, books, computer costs, and other costs) associated with an accredited or a licensed training program that may lead to employment for the individual or for a dependent of the individual.

(C) To purchase a primary residence for the individual or for a dependent of the individual or to reduce the principal amount owed on a primary residence that was purchased by the individual or a dependent of the individual with money from an individual development account.

(D) To pay for the rehabilitation (as defined in IC 6-3.1-11-11, **before its expiration January 1, 2022**) of the individual's primary residence.

(E) To begin or to purchase part or all of a business or to expand an existing small business.

SECTION 2. IC 4-4-28-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) Each community development corporation shall establish an individual development account fund to provide money to be used to finance additional accounts to be administered by the community development



corporation under this chapter and to help pay for the community development corporation's expenses related to the administration of accounts.

(b) Each community development corporation shall encourage individuals, financial institutions, corporations, and other entities to contribute to the fund. A contributor to the fund may qualify for a tax credit as provided under IC 6-3.1-18 **(before its expiration January 1, 2022)**.

(c) Each community development corporation may use up to twenty percent (20%) of the first one hundred thousand dollars (\$100,000) deposited each calendar year in the fund under subsection (b) to help pay for the community development corporation's expenses related to the administration of accounts established under this chapter. All deposits in the fund under subsection (b) of more than one hundred thousand dollars (\$100,000) during each calendar year may be used only to fund accounts administered by the community development corporation under this chapter.

(d) A community development corporation may allow an individual to establish a new account as adequate funding becomes available.

(e) Only money from the fund may be used to make the deposit described in subsection (f) into an account established under this section.

(f) The community development corporation shall annually deposit at least three dollars (\$3) into each account for each one dollar (\$1) an individual has deposited into the individual's account as of June 30.

(g) A community development corporation may not allow a qualifying individual to establish an account if the community development corporation does not have adequate funds to deposit into the account under subsection (f).

SECTION 3. IC 4-4-28-16, AS AMENDED BY P.L.150-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) Money withdrawn from an individual's account is not subject to taxation under IC 6-3-1 through IC 6-3-7 if the money is used for at least one (1) of the following:

- (1) To pay for costs (including tuition, laboratory costs, books, computer costs, and other costs) at an accredited postsecondary educational institution or a vocational school that is not a postsecondary educational institution for the individual or for a dependent of the individual.
- (2) To pay for the costs (including tuition, laboratory costs, books, computer costs, and other costs) associated with an accredited or a licensed training program that may lead to employment for the



individual or for a dependent of the individual.

(3) To purchase a primary residence for the individual or for a dependent of the individual or to reduce the principal amount owed on a primary residence that was purchased by the individual or a dependent of the individual with money from an individual development account.

(4) To pay for the rehabilitation (as defined in IC 6-3.1-11-11, **before its expiration January 1, 2022**) of the individual's primary residence.

(5) To begin or to purchase part or all of a business or to expand an existing small business.

(b) At the time of requesting authorization under section 15 of this chapter to withdraw money from an individual's account under subsection (a)(5), the individual must provide the community development corporation with a business plan that:

(1) is approved by:

(A) a financial institution; or

(B) a nonprofit loan fund that has demonstrated fiduciary stability;

(2) includes a description of services or goods to be sold, a marketing plan, and projected financial statements; and

(3) may require the individual to obtain the assistance of an experienced business advisor.

SECTION 4. IC 4-33-12-6, AS AMENDED BY SEA 24-2014, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7 (**before its expiration January 1, 2022**), the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

(i) is located in a county having a population of more than one hundred eleven thousand (111,000) but less than one hundred fifteen thousand (115,000); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the



riverboat is not docked in a city described in clause (A).

(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(5) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in subsection (k), sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the state general fund.

(c) With respect to tax revenue collected from a riverboat located in a historic hotel district, the treasurer of state shall quarterly pay the



following:

(1) With respect to admissions taxes collected for a person admitted to the riverboat before July 1, 2010, the following amounts:

(A) Twenty-two percent (22%) of the admissions tax collected during the quarter shall be paid to the county treasurer of the county in which the riverboat is located. The county treasurer shall distribute the money received under this clause as follows:

(i) Twenty-two and seventy-five hundredths percent (22.75%) shall be quarterly distributed to the county treasurer of a county having a population of more than forty thousand (40,000) but less than forty-two thousand (42,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this item to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(ii) Twenty-two and seventy-five hundredths percent (22.75%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body. The county fiscal body for the receiving county shall provide for the distribution of the money received under this item to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(iii) Fifty-four and five-tenths percent (54.5%) shall be retained by the county where the riverboat is located for appropriation by the county fiscal body after receiving a recommendation from the county executive.

(B) Five percent (5%) of the admissions tax collected during the quarter shall be paid to a town having a population of more than two thousand (2,000) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least twenty percent (20%) of the taxes received by a town under this clause must be



transferred to the school corporation in which the town is located.

(C) Five percent (5%) of the admissions tax collected during the quarter shall be paid to a town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(D) Twenty percent (20%) of the admissions tax collected during the quarter shall be paid in equal amounts to each town that:

- (i) is located in the county in which the riverboat is located; and
- (ii) contains a historic hotel.

At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(E) Ten percent (10%) of the admissions tax collected during the quarter shall be paid to the Orange County development commission established under IC 36-7-11.5. At least one-third (1/3) of the taxes paid to the Orange County development commission under this clause must be transferred to the Orange County convention and visitors bureau.

(F) Thirteen percent (13%) of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(G) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the Indiana economic development corporation to be used by the corporation for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional economic development strategy must include goals concerning the following issues:

- (i) Job creation and retention.
- (ii) Infrastructure, including water, wastewater, and storm water infrastructure needs.



- (iii) Housing.
- (iv) Workforce training.
- (v) Health care.
- (vi) Local planning.
- (vii) Land use.
- (viii) Assistance to regional economic development groups.
- (ix) Other regional development issues as determined by the Indiana economic development corporation.

(2) With respect to admissions taxes collected for a person admitted to the riverboat after June 30, 2010, the following amounts:

(A) Twenty-nine and thirty-three hundredths percent (29.33%) to the county treasurer of Orange County. The county treasurer shall distribute the money received under this clause as follows:

(i) Twenty-two and seventy-five hundredths percent (22.75%) to the county treasurer of Dubois County for distribution in the manner described in subdivision (1)(A)(i).

(ii) Twenty-two and seventy-five hundredths percent (22.75%) to the county treasurer of Crawford County for distribution in the manner described in subdivision (1)(A)(ii).

(iii) Fifty-four and five-tenths percent (54.5%) to be retained by the county treasurer of Orange County for appropriation by the county fiscal body after receiving a recommendation from the county executive.

(B) Six and sixty-seven hundredths percent (6.67%) to the fiscal officer of the town of Orleans. At least twenty percent (20%) of the taxes received by the town under this clause must be transferred to Orleans Community Schools.

(C) Six and sixty-seven hundredths percent (6.67%) to the fiscal officer of the town of Paoli. At least twenty percent (20%) of the taxes received by the town under this clause must be transferred to the Paoli Community School Corporation.

(D) Twenty-six and sixty-seven hundredths percent (26.67%) to be paid in equal amounts to the fiscal officers of the towns of French Lick and West Baden Springs. At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the Springs Valley Community School Corporation.

(E) Thirty and sixty-six hundredths percent (30.66%) to the



Indiana economic development corporation to be used in the manner described in subdivision (1)(G).

(d) With respect to tax revenue collected from a riverboat that operates from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the city in which the riverboat is docked.

(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked.

(3) Except as provided in subsection (k), nine cents (\$0.09) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), one cent (\$0.01) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the northwest Indiana law enforcement training center.

(5) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(6) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:



(A) embarking on a gambling excursion during the quarter; or
 (B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;
 shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(7) Except as provided in subsection (k), sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the state general fund.

(e) Money paid to a unit of local government under subsection (b), (c), or (d):

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(f) Money paid by the treasurer of state under subsection (b)(3) or (d)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(g) Money received by the division of mental health and addiction under subsections (b)(5) and (d)(6):

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of



addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(h) This subsection applies to the following:

- (1) Each entity receiving money under subsection (b)(1) through (b)(5).
- (2) Each entity receiving money under subsection (d)(1) through (d)(2).
- (3) Each entity receiving money under subsection (d)(5) through (d)(6).

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(i) This subsection applies to an entity receiving money under subsection (d)(3) or (d)(4). The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subsection (d)(3) during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection (d)(3). The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection (d)(4). The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(j) This subsection does not apply to an entity receiving money under subsection (c). The total amount of money distributed to an entity under this section during a state fiscal year may not exceed the entity's base year revenue as determined under subsection (h) or (i). If the treasurer of state determines that the total amount of money distributed to an entity under this section during a state fiscal year is less than the entity's base year revenue, the treasurer of state shall make a supplemental distribution to the entity under IC 4-33-13-5.

(k) This subsection does not apply to an entity receiving money under subsection (c). The treasurer of state shall pay that part of the riverboat admissions taxes that:

- (1) exceeds a particular entity's base year revenue; and



(2) would otherwise be due to the entity under this section; to the state general fund instead of to the entity.

SECTION 5. IC 4-33-13-5, AS AMENDED BY SEA 24-2014, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:
 Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) The first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or

(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).

(3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the state general fund. In each state fiscal year, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the state general fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue remitted by the operating agent under this chapter as follows:

(1) Thirty-seven and one-half percent (37.5%) shall be paid to the state general fund.



(2) Nineteen percent (19%) shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b). However, at any time the balance in that fund exceeds twenty million dollars (\$20,000,000), the amount described in this subdivision shall be paid to the state general fund.

(3) Eight percent (8%) shall be paid to the Orange County development commission established under IC 36-7-11.5.

(4) Sixteen percent (16%) shall be paid in equal amounts to each town that is located in the county in which the riverboat is located and contains a historic hotel. The following apply to taxes received by a town under this subdivision:

(A) At least twenty-five percent (25%) of the taxes must be transferred to the school corporation in which the town is located.

(B) At least twelve and five-tenths percent (12.5%) of the taxes imposed on adjusted gross receipts received after June 30, 2010, must be transferred to the Orange County development commission established by IC 36-7-11.5-3.5.

(5) Nine percent (9%) shall be paid to the county treasurer of the county in which the riverboat is located. The county treasurer shall distribute the money received under this subdivision as follows:

(A) Twenty-two and twenty-five hundredths percent (22.25%) shall be quarterly distributed to the county treasurer of a county having a population of more than forty thousand (40,000) but less than forty-two thousand (42,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) Twenty-two and twenty-five hundredths percent (22.25%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more



taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) Fifty-five and five-tenths percent (55.5%) shall be retained by the county in which the riverboat is located for appropriation by the county fiscal body after receiving a recommendation from the county executive.

(6) Five percent (5%) shall be paid to a town having a population of more than two thousand (2,000) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least forty percent (40%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.

(7) Five percent (5%) shall be paid to a town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least forty percent (40%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.

(8) Five-tenths percent (0.5%) of the taxes imposed on adjusted gross receipts received after June 30, 2010, shall be paid to the Indiana economic development corporation established by IC 5-28-3-1.

(c) For each city and county receiving money under subsection (a)(2), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year, the treasurer of state shall pay that part of the riverboat wagering taxes that:

- (1) exceeds a particular city's or county's base year revenue; and
- (2) would otherwise be due to the city or county under this section;

to the state general fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the state general fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following



may not exceed two hundred fifty million dollars (\$250,000,000):

- (1) Surplus lottery revenues under IC 4-30-17-3.
- (2) Surplus revenue from the charity gaming enforcement fund under IC 4-32.2-7-7.
- (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the state general fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the state general fund from the transfers under subsection (a)(3) for the state fiscal year.

(e) Before August 15 of each year, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

- (1) To each city located in the county according to the ratio the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio the town's population bears to the total population of the county.
- (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of the following purposes:

- (1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).
- (2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for debt repayment.
- (3) To fund sewer and water projects, including storm water management projects.
- (4) For police and fire pensions.
- (5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce



the maximum levy of the city, town, or county under IC 6-1.1-18.5.

(g) This subsection does not apply to an entity receiving money under IC 4-33-12-6(c). Before September 15 of each year, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-6), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the state general fund. Except as provided in subsection (i), the amount of an entity's supplemental distribution is equal to:

- (1) the entity's base year revenue (as determined under IC 4-33-12-6); minus
- (2) the sum of:
 - (A) the total amount of money distributed to the entity during the preceding state fiscal year under IC 4-33-12-6; plus
 - (B) any amounts deducted under IC 6-3.1-20-7 **(before its expiration January 1, 2022)**.

(h) This subsection applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (e) as follows:

- (1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.
- (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

(i) This subsection applies to a supplemental distribution made after June 30, 2013. The maximum amount of money that may be distributed under subsection (g) in a state fiscal year is forty-eight million dollars (\$48,000,000). If the total amount determined under subsection (g) exceeds forty-eight million dollars (\$48,000,000), the amount distributed to an entity under subsection (g) must be reduced according to the ratio that the amount distributed to the entity under IC 4-33-12-6 bears to the total amount distributed under IC 4-33-12-6 to all entities receiving a supplemental distribution."

Page 3, between lines 32 and 33, begin a new paragraph and insert:
"SECTION 8. IC 5-22-5-8.5, AS AMENDED BY P.L.277-2013,



SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8.5. (a) As used in this section, "clean energy vehicle" means any of the following:

(1) A vehicle that operates on one (1) or more of the following energy sources:

(A) A rechargeable energy storage system.

(B) Hydrogen.

(C) Compressed air.

(D) Compressed or liquid natural gas.

(E) Solar energy.

(F) Liquefied petroleum gas.

(G) Any other alternative fuel (as defined in IC 6-3.1-31.9-1 **before its expiration January 1, 2022**).

(2) A vehicle that operates on gasoline and one (1) or more of the energy sources listed in subdivision (1).

(3) A vehicle that operates on diesel fuel and one (1) or more of the energy sources listed in subdivision (1).

(b) As used in this section, "state entity" means the following:

(1) A state agency.

(2) Any other authority, board, branch, commission, committee, department, division, or other instrumentality of the executive (including the administrative), legislative, or judicial department of state government.

The term includes a state elected official's office and excludes a state educational institution.

(c) As used in this section, "vehicle" includes the following:

(1) An automobile.

(2) A truck.

(3) A tractor.

(d) Except as provided in subsection (e), if a state entity purchases or leases a vehicle, it must purchase or lease a clean energy vehicle unless the Indiana department of administration determines that the purchase or lease of a clean energy vehicle:

(1) is inappropriate because of the purposes for which the vehicle will be used; or

(2) would cost at least twenty percent (20%) more than the purchase or lease of a vehicle that:

(A) is not a clean energy vehicle; and

(B) is designed and equipped comparably to the clean energy vehicle.

(e) The requirements of subsection (d) do not apply to the:

(1) purchase or lease of vehicles by or for the state police



department; and

(2) short term or temporary lease of vehicles.

(f) The Indiana department of administration shall adopt rules or guidelines to provide a preference for the purchase or lease by state entities of clean energy vehicles manufactured wholly or partially in Indiana or containing parts manufactured in Indiana.

(g) Before August 1, each state entity shall annually submit to the Indiana department of administration information regarding the use of clean energy vehicles by the state entity. The information must specify the following for the preceding state fiscal year:

(1) The amount of alternative fuels purchased by the state entity.

(2) The amount of conventional fuels purchased by the state entity.

(3) The average price per gallon paid by the state entity for each type of fuel purchased by the state entity.

(4) The total number of vehicles purchased or leased by the state agency that were clean energy vehicles and the total number of vehicles purchased or leased by the state agency that were not clean energy vehicles.

(5) Any other information required by the Indiana department of administration.

(h) Before September 1, the Indiana department of administration shall annually submit to the general assembly in an electronic format under IC 5-14-6 and to the governor a report that lists the information required under subsection (g) for each state entity and for all state agencies in the aggregate.

SECTION 9. IC 5-28-11-1, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. As used in this chapter, "economically disadvantaged area" has the meaning set forth in IC 6-3.1-9-1 (**before its expiration January 1, 2022**).

SECTION 10. IC 5-28-15-3, AS AMENDED BY P.L.146-2008, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. As used in this chapter, "zone business" means an entity that accesses at least one (1) tax credit, deduction, or exemption incentive available under this chapter, IC 6-1.1-45, IC 6-3-3-10 (**before its expiration January 1, 2022**), IC 6-3.1-7 (**before its expiration January 1, 2022**), or IC 6-3.1-10 (**before its expiration January 1, 2022**).

SECTION 11. IC 5-28-15-5, AS AMENDED BY P.L.288-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) The board has the following powers, in



addition to other powers that are contained in this chapter:

- (1) To review and approve or reject all applicants for enterprise zone designation, according to the criteria for designation that this chapter provides.
 - (2) To waive or modify rules as provided in this chapter.
 - (3) To provide a procedure by which enterprise zones may be monitored and evaluated on an annual basis.
 - (4) To adopt rules for the disqualification of a zone business from eligibility for any or all incentives available to zone businesses, if that zone business does not do one (1) of the following:
 - (A) If all its incentives, as contained in the summary required under section 7 of this chapter, exceed one thousand dollars (\$1,000) in any year, pay a registration fee to the board in an amount equal to one percent (1%) of all its incentives.
 - (B) Use all its incentives, except for the amount of the registration fee, for its property or employees in the zone.
 - (C) Remain open and operating as a zone business for twelve (12) months of the assessment year for which the incentive is claimed.
 - (5) To disqualify a zone business from eligibility for any or all incentives available to zone businesses in accordance with the procedures set forth in the board's rules.
 - (6) After a recommendation from a U.E.A., to modify an enterprise zone boundary if the board determines that the modification:
 - (A) is in the best interests of the zone; and
 - (B) meets the threshold criteria and factors set forth in section 9 of this chapter.
 - (7) To employ staff and contract for services.
 - (8) To receive funds from any source and expend the funds for the administration and promotion of the enterprise zone program.
 - (9) To make determinations under IC 6-3.1-11 **(before its expiration January 1, 2022)** concerning the designation of locations as industrial recovery sites.
 - (10) To make determinations under IC 6-3.1-11 **(before its expiration January 1, 2022)** concerning the disqualification of persons from claiming credits provided by that chapter in appropriate cases.
- (b) In addition to a registration fee paid under subsection (a)(4)(A), each zone business that receives an incentive described in section 3 of this chapter shall assist the zone U.E.A. in an amount determined by the legislative body of the municipality in which the zone is located. If



a zone business does not assist a U.E.A., the legislative body of the municipality in which the zone is located may pass an ordinance disqualifying a zone business from eligibility for all credits or incentives available to zone businesses. If a legislative body disqualifies a zone business under this subsection, the legislative body shall notify the board, the department of local government finance, and the department of state revenue in writing not more than thirty (30) days after the passage of the ordinance disqualifying the zone business. Disqualification of a zone business under this section is effective beginning with the taxable year in which the ordinance disqualifying the zone business is adopted.

SECTION 12. IC 5-28-21-1, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. As used in this chapter, "economically disadvantaged area" has the meaning set forth in IC 6-3.1-9-1 **(before its expiration January 1, 2022).**

SECTION 13. IC 5-28-28-4, AS AMENDED BY P.L.288-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. As used in this chapter, "tax credit" means a state tax liability credit under any of the following:

- (1) IC 6-3.1-7 **(before its expiration January 1, 2022).**
- (2) IC 6-3.1-13 **(before its expiration January 1, 2022).**
- (3) IC 6-3.1-26 **(before its expiration January 1, 2022).**
- (4) IC 6-3.1-27.
- (5) IC 6-3.1-28.
- (6) IC 6-3.1-30 **(before its expiration January 1, 2022).**
- (7) IC 6-3.1-31.9 **(before its expiration January 1, 2022).**
- (8) IC 6-3.1-33."

Page 28, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 36. IC 6-1.1-43-1, AS AMENDED BY P.L.288-2013, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. This chapter applies to the following economic development incentive programs:

- (1) Grants and loans provided by the Indiana economic development corporation under IC 5-28 or the office of tourism development under IC 5-29.
- (2) Incentives provided in an economic revitalization area under IC 6-1.1-12.1.
- (3) Incentives provided under IC 6-3.1-13 **(before its expiration January 1, 2022).**

SECTION 37. IC 6-3-3-5, AS AMENDED BY P.L.2-2007, SECTION 121, IS AMENDED TO READ AS FOLLOWS



[EFFECTIVE JULY 1, 2014]: Sec. 5. (a) At the election of the taxpayer, there shall be allowed, as a credit against the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, an amount (subject to the applicable limitations provided by this section) equal to fifty percent (50%) of the aggregate amount of charitable contributions made by such taxpayer during such year to postsecondary educational institutions located within Indiana (including any of its associated colleges in Indiana) or to any corporation or foundation organized and operated solely for the benefit of any postsecondary educational institution.

(b) In the case of a taxpayer other than a corporation, the amount allowable as a credit under this section for any taxable year shall not exceed one hundred dollars (\$100) in the case of a single return or two hundred dollars (\$200) in the case of a joint return.

(c) In the case of a corporation, the amount allowable as a credit under this section for any taxable year shall not exceed:

- (1) ten percent (10%) of such corporation's total adjusted gross income tax under IC 6-3-1 through IC 6-3-7 for such year (as determined without regard to any credits against that tax); or
- (2) one thousand dollars (\$1,000);

whichever is less.

(d) A charitable contribution in Indiana qualifies for a credit under this section only if the charitable contribution is made to a postsecondary educational institution or a corporation or foundation organized for the benefit of a postsecondary educational institution that:

- (1) normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on;
- (2) regularly offers education at a level above the twelfth grade;
- (3) regularly awards either associate, bachelors, masters, or doctoral degrees, or any combination thereof; and
- (4) is duly accredited by the North Central Association of Colleges and Schools, the Indiana state board of education, or the American Association of Theological Schools.

(e) The credit allowed by this section shall not exceed the amount of the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

(f) This section expires January 1, 2022.

SECTION 38. IC 6-3-3-5.1, AS AMENDED BY P.L.2-2007, SECTION 122, IS AMENDED TO READ AS FOLLOWS

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[EFFECTIVE JULY 1, 2014]: Sec. 5.1. (a) At the election of the taxpayer, a credit against the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, is permitted in an amount (subject to the applicable limitations provided by this section) equal to fifty percent (50%) of the aggregate amount of contributions made by the taxpayer during the taxable year to the twenty-first century scholars program support fund established under IC 21-12-7-1.

(b) In the case of a taxpayer other than a corporation, the amount allowable as a credit under this section for any taxable year may not exceed:

- (1) one hundred dollars (\$100) in the case of a single return; or
- (2) two hundred dollars (\$200) in the case of a joint return.

(c) In the case of a taxpayer that is a corporation, the amount allowable as a credit under this section for any taxable year may not exceed the lesser of the following amounts:

- (1) Ten percent (10%) of the corporation's total adjusted gross income tax under IC 6-3-1 through IC 6-3-7 for the taxable year (as determined without regard to any credits against that tax).
- (2) One thousand dollars (\$1,000).

(d) The credit permitted under this section may not exceed the amount of the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

(e) This section expires January 1, 2022.

SECTION 39. IC 6-3-3-9 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The credit provided by this section shall be known as the unified tax credit for the elderly.

(b) As used in this section, unless the context clearly indicates otherwise:

- (1) "Household federal adjusted gross income" means the total adjusted gross income, as defined in Section 62 of the Internal Revenue Code, of an individual, or of an individual and his **or her** spouse if they reside together for the taxable year for which the credit provided by this section is claimed.
- (2) "Household" means a claimant or, if applicable, a claimant and his or her spouse if the spouse resides with the claimant and "household income" means the income of the claimant or, if applicable, the combined income of the claimant and his or her spouse if the spouse resides with the claimant.
- (3) "Claimant" means an individual, other than an individual described in subsection (c) of this section, who:



- (A) has filed a claim under this section;
- (B) was a resident of this state for at least six (6) months during the taxable year for which he or she has filed a claim under this section; and
- (C) was sixty-five (65) years of age during some portion of the taxable year for which ~~he~~ **the individual** has filed a claim under this section or whose spouse was either sixty-five (65) years of age or over during the taxable year.

(c) The credit provided under this section shall not apply to an individual who, for a period of at least one hundred eighty (180) days during the taxable year for which ~~he~~ **the individual** has filed a claim under this section, was incarcerated in a local, state, or federal correctional institution.

(d) The right to file a claim under this section shall be personal to the claimant and shall not survive ~~his~~ **the claimant's** death, except that a surviving spouse of a claimant is entitled to claim the credit provided by this section. For purposes of determining the amount of the credit a surviving spouse is entitled to claim under this section, the deceased spouse shall be treated as having been alive on the last day of the taxable year in which the deceased spouse died. When a claimant dies after having filed a timely claim, the amount thereof shall be disbursed to another member of the household as determined by the commissioner. If the claimant was the only member of ~~his~~ **the claimant's** household, the claim may be paid to ~~his~~ **the claimant's** executor or administrator, but if neither is appointed and qualified within two (2) years of the filing of the claim, the amount of the claim shall escheat to the state.

(e) For each taxable year, subject to the limitations provided in this section, one (1) claimant per household may claim, as a credit against Indiana adjusted gross income taxes otherwise due, the credit provided by this section. If the allowable amount of the claim exceeds the income taxes otherwise due on the claimant's household income or if there are no Indiana income taxes due on such income, the amount of the claim not used as an offset against income taxes after audit by the department, at the taxpayer's option, shall be refunded to the claimant or taken as a credit against such taxpayer's income tax liability subsequently due.

(f) No claim filed pursuant to this section shall be allowed unless filed within six (6) months following the close of claimant's taxable year or within the extension period if an extension of time for filing the return has been granted under IC 6-8.1-6-1, whichever is later.

(g) The amount of any claim otherwise payable under this section



may be applied by the department against any liability outstanding on the books of the department against the claimant, or against any other individual who was a member of **his the claimant's** household in the taxable year to which the claim relates.

(h) The amount of a claim filed pursuant to this section by a claimant that either (i) does not reside with **his the claimant's** spouse during the taxable year, or (ii) resides with **his the claimant's** spouse during the taxable year and only one (1) of them is sixty-five (65) years of age or older at the end of the taxable year, shall be determined in accordance with the following schedule:

HOUSEHOLD FEDERAL ADJUSTED GROSS INCOME FOR TAXABLE YEAR		CREDIT
less than \$1,000		\$100
at least \$1,000, but less than \$3,000		\$ 50
at least \$3,000, but less than \$10,000		\$ 40

(i) The amount of a claim filed pursuant to this section by a claimant that resides with **his the claimant's** spouse during **his the claimant's** taxable year shall be determined in accordance with the following schedule if both the claimant and spouse are sixty-five (65) years of age or older at the end of the taxable year:

HOUSEHOLD FEDERAL ADJUSTED GROSS INCOME FOR TAXABLE YEAR		CREDIT
less than \$1,000		\$140
at least \$1,000, but less than \$3,000		\$ 90
at least \$3,000, but less than \$10,000		\$ 80

(j) The department may promulgate reasonable rules under IC 4-22-2 for the administration of this section.

(k) Every claimant under this section shall supply to the department on forms provided under IC 6-8.1-3-4, in support of **his the claimant's** claim, reasonable proof of household income and age.

(l) Whenever on the audit of any claim filed under this section the department finds that the amount of the claim has been incorrectly determined, the department shall redetermine the claim and notify the claimant of the redetermination and the reasons therefor. The redetermination shall be final.

(m) In any case in which it is determined that a claim is or was excessive and was filed with fraudulent intent, the claim shall be disallowed in full, and, if the claim has been paid or a credit has been allowed against income taxes otherwise payable, the credit shall be canceled and the amount paid shall be recovered by assessment as



income taxes are assessed and such assessment shall bear interest from the date of payment or credit of the claim, until refunded or paid at the rate determined under IC 6-8.1-10-1. The claimant in such a case commits a Class A misdemeanor. In any case in which it is determined that a claim is or was excessive and was negligently prepared, ten percent (10%) of the corrected claim shall be disallowed and, if the claim has been paid or credited against income taxes otherwise payable, the credit shall be reduced or canceled, and the proper portion of any amount paid shall be similarly recovered by assessment as income taxes are assessed, and such assessment shall bear interest at the rate determined under IC 6-8.1-10-1 from the date of payment until refunded or paid.

(n) This section expires January 1, 2022.

SECTION 40. IC 6-3-3-10, AS AMENDED BY P.L.182-2009(ss), SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) As used in this section:

"Base period wages" means the following:

(1) In the case of a taxpayer other than a pass through entity, wages paid or payable by a taxpayer to its employees during the year that ends on the last day of the month that immediately precedes the month in which an enterprise zone is established, to the extent that the wages would have been qualified wages if the enterprise zone had been in effect for that year. If the taxpayer did not engage in an active trade or business during that year in the area that is later designated as an enterprise zone, then the base period wages equal zero (0). If the taxpayer engaged in an active trade or business during only part of that year in an area that is later designated as an enterprise zone, then the department shall determine the amount of base period wages.

(2) In the case of a taxpayer that is a pass through entity, base period wages equal zero (0).

"Enterprise zone" means an enterprise zone created under IC 5-28-15.

"Enterprise zone adjusted gross income" means adjusted gross income of a taxpayer that is derived from sources within an enterprise zone. Sources of adjusted gross income shall be determined with respect to an enterprise zone, to the extent possible, in the same manner that sources of adjusted gross income are determined with respect to the state of Indiana under IC 6-3-2-2.

"Enterprise zone gross income" means gross income of a taxpayer that is derived from sources within an enterprise zone.

"Enterprise zone insurance premiums" means insurance premiums



derived from sources within an enterprise zone.

"Monthly base period wages" means base period wages divided by twelve (12).

"Qualified employee" means an individual who is employed by a taxpayer and who:

- (1) has the individual's principal place of residence in the enterprise zone in which the individual is employed;
- (2) performs services for the taxpayer, ninety percent (90%) of which are directly related to the conduct of the taxpayer's trade or business that is located in an enterprise zone;
- (3) performs at least fifty percent (50%) of the individual's services for the taxpayer during the taxable year in the enterprise zone; and
- (4) in the case of an individual who is employed by a taxpayer that is a pass through entity, was first employed by the taxpayer after December 31, 1998.

"Qualified increased employment expenditures" means the following:

- (1) For a taxpayer's taxable year other than the taxpayer's taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during the taxable year to qualified employees exceeds the taxpayer's base period wages.
- (2) For the taxpayer's taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during all of the full calendar months in the taxpayer's taxable year that succeed the date on which the enterprise zone was established exceed the taxpayer's monthly base period wages multiplied by that same number of full calendar months.

"Qualified state tax liability" means a taxpayer's total income tax liability incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax) with respect to enterprise zone adjusted gross income;
- (2) IC 27-1-18-2 (insurance premiums tax) with respect to enterprise zone insurance premiums; and
- (3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this section.

"Qualified wages" means the wages paid or payable to qualified employees during a taxable year.



"Taxpayer" includes a pass through entity.

(b) A taxpayer is entitled to a credit against the taxpayer's qualified state tax liability for a taxable year in the amount of the lesser of:

- (1) the product of ten percent (10%) multiplied by the qualified increased employment expenditures of the taxpayer for the taxable year; or
- (2) one thousand five hundred dollars (\$1,500) multiplied by the number of qualified employees employed by the taxpayer during the taxable year.

(c) The amount of the credit provided by this section that a taxpayer uses during a particular taxable year may not exceed the taxpayer's qualified state tax liability for the taxable year. If the credit provided by this section exceeds the amount of that tax liability for the taxable year it is first claimed, then the excess may be carried back to preceding taxable years or carried over to succeeding taxable years and used as a credit against the taxpayer's qualified state tax liability for those taxable years. Each time that the credit is carried back to a preceding taxable year or carried over to a succeeding taxable year, the amount of the carryover is reduced by the amount used as a credit for that taxable year. Except as provided in subsection (e), the credit provided by this section may be carried forward and applied in the ten (10) taxable years that succeed the taxable year in which the credit accrues. The credit provided by this section may be carried back and applied in the three (3) taxable years that precede the taxable year in which the credit accrues.

(d) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's qualified state tax liability for that taxable year before any credit carryover or carryback is applied against that liability under subsection (c).

(e) Notwithstanding subsection (c), if a credit under this section results from wages paid in a particular enterprise zone, and if that enterprise zone terminates in a taxable year that succeeds the last taxable year in which a taxpayer is entitled to use the credit carryover that results from those wages under subsection (c), then the taxpayer may use the credit carryover for any taxable year up to and including the taxable year in which the enterprise zone terminates.

(f) A taxpayer is not entitled to a refund of any unused credit.

(g) A taxpayer that:

- (1) does not own, rent, or lease real property outside of an enterprise zone that is an integral part of its trade or business; and
- (2) is not owned or controlled directly or indirectly by a taxpayer that owns, rents, or leases real property outside of an enterprise



zone;
is exempt from the allocation and apportionment provisions of this section.

(h) If a pass through entity is entitled to a credit under subsection (b) but does not have state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, beneficiary, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, beneficiary, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, beneficiary, or member of a pass through entity is entitled. However, a pass through entity and an individual who is a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit for the qualified expenditure.

(i) This section expires January 1, 2022.

SECTION 41. IC 6-3-3-12, AS AMENDED BY P.L.182-2009(ss), SECTION 198, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. (a) As used in this section, "account" has the meaning set forth in IC 21-9-2-2.

(b) As used in this section, "account beneficiary" has the meaning set forth in IC 21-9-2-3.

(c) As used in this section, "account owner" has the meaning set forth in IC 21-9-2-4.

(d) As used in this section, "college choice 529 education savings plan" refers to a college choice 529 investment plan established under IC 21-9.

(e) As used in this section, "contribution" means the amount of money directly provided to a college choice 529 education savings plan account by a taxpayer. A contribution does not include any of the following:

- (1) Money credited to an account as a result of bonus points or other forms of consideration earned by the taxpayer that result in a transfer of money to the account.
- (2) Money transferred from any other qualified tuition program under Section 529 of the Internal Revenue Code or from any other similar plan.

(f) As used in this section, "nonqualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings



plan that is not a qualified withdrawal.

(g) As used in this section, "qualified higher education expenses" has the meaning set forth in IC 21-9-2-19.5.

(h) As used in this section, "qualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is made:

- (1) to pay for qualified higher education expenses, excluding any withdrawals or distributions used to pay for qualified higher education expenses if the withdrawals or distributions are made from an account of a college choice 529 education savings plan that is terminated within twelve (12) months after the account is opened;
- (2) as a result of the death or disability of an account beneficiary;
- (3) because an account beneficiary received a scholarship that paid for all or part of the qualified higher education expenses of the account beneficiary, to the extent that the withdrawal or distribution does not exceed the amount of the scholarship; or
- (4) by a college choice 529 education savings plan as the result of a transfer of funds by a college choice 529 education savings plan from one (1) third party custodian to another.

A qualified withdrawal does not include a rollover distribution or transfer of assets from a college choice 529 education savings plan to any other qualified tuition program under Section 529 of the Internal Revenue Code or to any other similar plan.

(i) As used in this section, "taxpayer" means:

- (1) an individual filing a single return; or
- (2) a married couple filing a joint return.

(j) A taxpayer is entitled to a credit against the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for a taxable year equal to the least of the following:

- (1) Twenty percent (20%) of the amount of the total contributions made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year.
- (2) One thousand dollars (\$1,000).
- (3) The amount of the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

(k) A taxpayer is not entitled to a carryback, carryover, or refund of an unused credit.

(l) A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this section.

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(m) To receive the credit provided by this section, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department all information that the department determines is necessary for the calculation of the credit provided by this section.

(n) An account owner of an account of a college choice 529 education savings plan must repay all or a part of the credit in a taxable year in which any nonqualified withdrawal is made from the account. The amount the taxpayer must repay is equal to the lesser of:

- (1) twenty percent (20%) of the total amount of nonqualified withdrawals made during the taxable year from the account; or
- (2) the excess of:
 - (A) the cumulative amount of all credits provided by this section that are claimed by any taxpayer with respect to the taxpayer's contributions to the account for all prior taxable years beginning on or after January 1, 2007; over
 - (B) the cumulative amount of repayments paid by the account owner under this subsection for all prior taxable years beginning on or after January 1, 2008.

(o) Any required repayment under subsection (o) shall be reported by the account owner on the account owner's annual state income tax return for any taxable year in which a nonqualified withdrawal is made.

(p) A nonresident account owner who is not required to file an annual income tax return for a taxable year in which a nonqualified withdrawal is made shall make any required repayment on the form required under IC 6-3-4-1(2). If the nonresident account owner does not make the required repayment, the department shall issue a demand notice in accordance with IC 6-8.1-5-1.

(q) The executive director of the Indiana education savings authority shall submit or cause to be submitted to the department a copy of all information returns or statements issued to account owners, account beneficiaries, and other taxpayers for each taxable year with respect to:

- (1) nonqualified withdrawals made from accounts of a college choice 529 education savings plan for the taxable year; or
- (2) account closings for the taxable year.

(r) This section expires January 1, 2022.

SECTION 42. IC 6-3.1-1-3, AS AMENDED BY P.L.288-2013, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. A taxpayer (as defined in the following laws), pass through entity (as defined in the following laws), or shareholder, partner, or member of a pass through entity may not be granted more than one (1) tax credit under the following laws for the same project:

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- (1) IC 6-3.1-10 (enterprise zone investment cost credit) **(before its expiration January 1, 2022).**
- (2) IC 6-3.1-11 (industrial recovery tax credit) **(before its expiration January 1, 2022).**
- (3) IC 6-3.1-19 (community revitalization enhancement district tax credit) **(before its expiration January 1, 2022).**
- (4) IC 6-3.1-24 (venture capital investment tax credit) **(before its expiration January 1, 2022).**
- (5) IC 6-3.1-26 (Hoosier business investment tax credit) **(before its expiration January 1, 2022).**
- (6) IC 6-3.1-31.9 (Hoosier alternative fuel vehicle manufacturer tax credit) **(before its expiration January 1, 2022).**

If a taxpayer, pass through entity, or shareholder, partner, or member of a pass through entity has been granted more than one (1) tax credit for the same project, the taxpayer, pass through entity, or shareholder, partner, or member of a pass through entity must elect to apply only one (1) of the tax credits in the manner and form prescribed by the department.

SECTION 43. IC 6-3.1-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. **(a)** Subject to the limitation established in sections 4 and 5 of this chapter, a taxpayer that employs an eligible teacher in a qualified position during a school summer recess is entitled to a tax credit against ~~his~~ **the taxpayer's** state income tax liability as provided for under section 3 of this chapter.

(b) This chapter expires January 1, 2022.

SECTION 44. IC 6-3.1-4-3, AS ADDED BY P.L.197-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) The amount of the credit provided by this chapter that a taxpayer uses during a particular taxable year may not exceed the sum of the taxes imposed by IC 6-3 for the taxable year after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter. If the credit provided by this chapter exceeds that sum for the taxable year for which the credit is first claimed, then the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, it is to be reduced by the amount which was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for ten (10) taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall



be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

(d) This chapter expires January 1, 2022.

SECTION 45. IC 6-3.1-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A taxpayer who enters into an agreement is entitled to receive an income tax credit for a taxable year equal to:

- (1) the taxpayer's state income tax liability for the taxable year;
- (2) an amount equal to the sum of:
 - (A) fifty percent (50%) of any investment in qualified property made by the taxpayer during the taxable year as part of the agreement; plus
 - (B) twenty-five percent (25%) of the wages paid to inmates during the taxable year as part of the agreement; or
- (3) one hundred thousand dollars (\$100,000);

whichever is least.

(b) A tax credit shall be allowed under this chapter only for the taxable year of the taxpayer during which:

- (1) the investment in qualified property is made in accordance with Section 38 of the Internal Revenue Code; or
- (2) the wages are paid to inmates;

as part of an agreement.

(c) This chapter expires January 1, 2022.

SECTION 46. IC 6-3.1-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) If the amount determined under section 2(b) of this chapter for a particular taxpayer and a particular taxable year exceeds the taxpayer's state tax liability for that taxable year, then the taxpayer may carry the excess over to the immediately succeeding taxable years. Except as provided in subsection (b), the credit carryover may not be used for any taxable year that begins more than ten (10) years after the date on which the qualified loan from which the credit results is made. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) Notwithstanding subsection (a), if a loan is a qualified loan as the result of the use of the loan proceeds in a particular enterprise zone, and if the phase-out period of that enterprise zone terminates in a taxable year that succeeds the last taxable year in which a taxpayer is



entitled to use credit carryover that results from that loan under subsection (a), then the taxpayer may use the credit carryover for any taxable year up to and including the taxable year in which the phase-out period of the enterprise zone terminates.

(c) This chapter expires January 1, 2022.

SECTION 47. IC 6-3.1-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) A tax credit shall be allowable under this chapter only for the taxable year of the taxpayer in which the contribution qualifying for the credit is paid or permanently set aside in a special account for the approved program or purpose.

(b) This chapter expires January 1, 2022.

SECTION 48. IC 6-3.1-10-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) If the amount determined under section 6(b) of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit.

(c) This chapter expires January 1, 2022.

SECTION 49. IC 6-3.1-11-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) If the amount determined under section 16(b) of this chapter for a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the immediately following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit.

(c) This chapter expires January 1, 2022.

SECTION 50. IC 6-3.1-13-13, AS AMENDED BY P.L.4-2005, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) The corporation may make credit awards under this chapter to foster job creation in Indiana or, as provided in section 15.5 of this chapter, job retention in Indiana.

(b) The credit shall be claimed for the taxable years specified in the taxpayer's tax credit agreement.

(c) This chapter expires January 1, 2022.



SECTION 51. IC 6-3.1-17-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The amount of tax credits allowed under this chapter may not exceed one million dollars (\$1,000,000) in a state fiscal year.

(b) The department shall record the time of filing of each application for allowance of a credit under section 8 of this chapter and shall approve the applications, if they otherwise qualify for a tax credit under this chapter, in the chronological order in which the applications are filed in the state fiscal year.

(c) When the total credits approved under this section equal the maximum amount allowable in a state fiscal year, no application thereafter filed for that same fiscal year shall be approved. However, if an applicant for whom a credit has been approved fails to file the statement of proof of payment required under section 8 of this chapter, an amount equal to the credit previously allowed or set aside for the applicant may be allowed to any subsequent applicant in the year. In addition, the department may, if the applicant so requests, approve a credit application, in whole or in part, with respect to the next succeeding state fiscal year.

(d) This chapter expires January 1, 2022.

SECTION 52. IC 6-3.1-13-26, AS AMENDED BY P.L.4-2005, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26. (a) The economic development for a growing economy fund is established to be used exclusively for the purposes of this chapter and IC 6-3.1-26 **(before its expiration January 1, 2022)**, including paying for the costs of administering this chapter and IC 6-3.1-26 **(before its expiration January 1, 2022)**. The fund shall be administered by the corporation.

(b) The fund consists of collected fees, appropriations from the general assembly, and gifts and grants to the fund.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(d) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund to be used exclusively for the purposes of this chapter. Expenditures from the fund are subject to appropriation by the general assembly and approval by the budget agency.

SECTION 53. IC 6-3.1-16-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) If the credit provided by this chapter exceeds a taxpayer's state tax liability for the



taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for fifteen (15) taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

(d) This chapter expires January 1, 2022.

SECTION 54. IC 6-3.1-18-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) A tax credit shall be allowable under this chapter only for the taxable year of the taxpayer in which the contribution qualifying for the credit is paid.

(b) This chapter expires January 1, 2022.

SECTION 55. IC 6-3.1-19-3, AS AMENDED BY P.L.172-2011, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) Except as provided in section 5 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state and local tax liability for a taxable year if the taxpayer makes a qualified investment in that year.

(b) The amount of the credit to which a taxpayer is entitled is the qualified investment made by the taxpayer during the taxable year multiplied by twenty-five percent (25%).

(c) A taxpayer may assign any part of the credit to which the taxpayer is entitled under this chapter to a lessee of property redeveloped or rehabilitated under section 2 of this chapter. A credit that is assigned under this subsection remains subject to this chapter.

(d) An assignment under subsection (c) must be in writing and both the taxpayer and the lessee must report the assignment on their state tax return for the year in which the assignment is made, in the manner prescribed by the department. The taxpayer may not receive value in connection with the assignment under subsection (c) that exceeds the value of the part of the credit assigned.

(e) If a pass through entity is entitled to a credit under this chapter but does not have state and local tax liability against which the tax



credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and an individual who is a shareholder, partner, or member of the pass through entity may not claim more than one (1) credit for the same investment.

(f) A taxpayer that is otherwise entitled to a credit under this chapter for a taxable year may claim the credit regardless of whether any income tax incremental amount or gross retail incremental amount has been:

- (1) deposited in the incremental tax financing fund established for the community revitalization enhancement district; or
- (2) allocated to the district.

(g) This chapter expires January 1, 2022.

SECTION 56. IC 6-3.1-20-4, AS AMENDED BY P.L.13-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) Except as provided in subsection (b), an individual is entitled to a credit under this chapter if:

- (1) the individual's earned income for the taxable year is less than eighteen thousand six hundred dollars (\$18,600); and
- (2) the individual pays property taxes in the taxable year on a homestead that:

(A) the individual:

- (i) owns; or
- (ii) is buying under a contract that requires the individual to pay property taxes on the homestead, if the contract or a memorandum of the contract is recorded in the county recorder's office; and

(B) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) An individual is not entitled to a credit under this chapter for a taxable year for property taxes paid on the individual's homestead if the individual claims the deduction under IC 6-3-1-3.5(a)(15) for the homestead for that same taxable year.

(c) This chapter expires January 1, 2022.

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SECTION 57. IC 6-3.1-21-8, AS AMENDED BY P.L.172-2011, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. **(a)** To obtain a credit under this chapter, a taxpayer must claim the advance payment or credit in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

(b) This chapter expires January 1, 2022.

SECTION 58. IC 6-3.1-22-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. (a) If the credit provided by this chapter exceeds a taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for fifteen (15) taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

(d) This chapter expires January 1, 2022.

SECTION 59. IC 6-3.1-24-9, AS AMENDED BY P.L.288-2013, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The total amount of tax credits that may be approved by the corporation under this chapter in a particular calendar year for qualified investment capital provided during that calendar year may not exceed twelve million five hundred thousand dollars (\$12,500,000). An amount of an unused credit carried over by a taxpayer from a previous calendar year may not be considered in determining the amount of proposed investments that the Indiana economic development corporation may certify under this chapter.

(b) Notwithstanding the other provisions of this chapter, a taxpayer is not entitled to a credit for providing qualified investment capital to a qualified Indiana business after December 31, ~~2016~~ **2021**. However, this subsection may not be construed to prevent a taxpayer from



carrying over to a taxable year beginning after December 31, ~~2016;~~ **2021**, an unused tax credit attributable to an investment occurring before January 1, ~~2017;~~ **2022**.

SECTION 60. IC 6-3.1-24-12, AS AMENDED BY P.L.193-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. (a) If the amount of the credit determined under section 10 of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess credit over for a period not to exceed the taxpayer's following five (5) taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback or a refund of any unused credit amount.

(b) This chapter expires January 1, 2022.

SECTION 61. IC 6-3.1-26-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. As used in this chapter, "director" has the meaning set forth in IC 6-3.1-13-3 **(before its expiration January 1, 2022)**.

SECTION 62. IC 6-3.1-26-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. As used in this chapter, "new employee" has the meaning set forth in IC 6-3.1-13-6 **(before its expiration January 1, 2022)**.

SECTION 63. IC 6-3.1-26-26, AS AMENDED BY P.L.137-2012, SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26. (a) This chapter applies to taxable years beginning after December 31, 2003.

(b) Notwithstanding the other provisions of this chapter, the corporation may not approve a credit for a qualified investment made after December 31, ~~2016;~~ **2021**. However, this section may not be construed to prevent a taxpayer from carrying an unused tax credit attributable to a qualified investment made before January 1, ~~2017;~~ **2022**, forward to a taxable year beginning after December 31, ~~2016;~~ **2021**, in the manner provided by section 15 of this chapter.

(c) This chapter expires January 1, 2022.

SECTION 64. IC 6-3.1-29-21, AS ADDED BY P.L.191-2005, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 21. (a) To receive the credit awarded by this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department a copy of the commission's determination required under section 19 of this chapter, a copy of the



taxpayer's certificate of compliance issued under section 19 of this chapter, and all information that the department determines is necessary for the calculation of the credit provided by this chapter.

(b) This chapter expires January 1, 2022.

SECTION 65. IC 6-3.1-30-11, AS ADDED BY P.L.193-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time that the credit is carried forward to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the unused credit year.

(b) A taxpayer is not entitled to any carryback or refund of any unused credit.

(c) This chapter expires January 1, 2022.

SECTION 66. IC 6-3.1-30.5-9.5, AS ADDED BY P.L.211-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9.5. (a) This section applies to a taxpayer that is entitled to a tax credit under this chapter for a taxable year beginning after December 31, 2012.

(b) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time the credit is carried forward to a succeeding taxable year, the credit is reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the unused credit year.

(c) A taxpayer is not entitled to a carryback or refund of any unused credit.

(d) This section expires January 1, 2022.

SECTION 67. IC 6-3.1-31.9-4, AS ADDED BY P.L.223-2007, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. As used in this chapter, "director" has the meaning set forth in IC 6-3.1-13-3 **(before its expiration January 1, 2022)**.

SECTION 68. IC 6-3.1-31.9-6, AS ADDED BY P.L.223-2007,



SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. As used in this chapter, "new employee" has the meaning set forth in IC 6-3.1-13-6 (**before its expiration January 1, 2022**).

SECTION 69. IC 6-3.1-31.9-23, AS AMENDED BY P.L.137-2012, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 23. (a) This chapter applies to taxable years beginning after December 31, 2006.

(b) Notwithstanding the other provisions of this chapter, the corporation may not approve an alternative fuel vehicle manufacturing credit for a qualified investment made after December 31, ~~2016~~ **2021**. However, this section may not be construed to prevent a taxpayer from carrying an unused tax credit attributable to a qualified investment made before January 1, ~~2017~~ **2022**, forward to a taxable year beginning after December 31, ~~2016~~ **2021**, in the manner provided by section 13 of this chapter.

(c) This chapter expires January 1, 2022.

SECTION 70. IC 6-3.1-33-5, AS ADDED BY P.L.110-2010, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. As used in this chapter, "qualified employee" means an individual who is:

- (1) a full-time employee (as defined in IC 6-3.1-13-4, **before its expiration January 1, 2022**) first hired by a new Indiana business during the period specified in section 10(b) of this chapter;
- (2) a resident of Indiana; and
- (3) not more than a five percent (5%) shareholder, partner, member, or owner of the applicant;

as determined by the IEDC. The term does not include rehired individuals, individuals employed to fill positions vacated as the result of a layoff that occurred during the previous two (2) years, or individuals employed in the same business operation before and after a change of business ownership.

SECTION 71. IC 6-3.1-34.6-1, AS ADDED BY P.L.277-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) Subject to subsection (b), this chapter applies to taxable years beginning after December 31, 2013.

(b) A person is not entitled to a tax credit for placing a qualified vehicle into service after December 31, ~~2016~~ **2021**. However, this subsection may not be construed to prevent a person from carrying an unused tax credit attributable to a qualified vehicle placed into service before January 1, ~~2017~~ **2022**, forward to a taxable year beginning after



December 31, ~~2016~~, **2021**, in the manner provided by section 13 of this chapter.

(c) This chapter expires January 1, 2022.

SECTION 72. IC 6-3.5-1.1-18, AS AMENDED BY P.L.146-2008, SECTION 330, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 18. (a) Except as otherwise provided in this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

- (1) definitions;
- (2) declarations of estimated tax;
- (3) filing of returns;
- (4) remittances;
- (5) incorporation of the provisions of the Internal Revenue Code;
- (6) penalties and interest;
- (7) exclusion of military pay credits for withholding; and
- (8) exemptions and deductions;

apply to the imposition, collection, and administration of the tax imposed by this chapter.

(b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5 **(before its expiration January 1, 2022)**, and IC 6-3-5-1 do not apply to the tax imposed by this chapter.

(c) Notwithstanding subsections (a) and (b), each employer shall report to the department the amount of withholdings attributable to each county. This report shall be submitted to the department:

- (1) each time the employer remits to the department the tax that is withheld; and
- (2) annually along with the employer's annual withholding report.

SECTION 73. IC 6-3.5-6-22, AS AMENDED BY P.L.146-2008, SECTION 340, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. (a) Except as otherwise provided in subsection (b) and the other provisions of this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

- (1) definitions;
- (2) declarations of estimated tax;
- (3) filing of returns;
- (4) deductions or exemptions from adjusted gross income;
- (5) remittances;
- (6) incorporation of the provisions of the Internal Revenue Code;
- (7) penalties and interest; and
- (8) exclusion of military pay credits for withholding;

apply to the imposition, collection, and administration of the tax imposed by this chapter.



(b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5 **(before its expiration January 1, 2022)**, and IC 6-3-5-1 do not apply to the tax imposed by this chapter.

(c) Notwithstanding subsections (a) and (b), each employer shall report to the department the amount of withholdings attributable to each county. This report shall be submitted to the department:

- (1) each time the employer remits to the department the tax that is withheld; and
- (2) annually along with the employer's annual withholding report.

SECTION 74. IC 6-3.5-7-18, AS AMENDED BY P.L.146-2008, SECTION 348, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 18. (a) Except as otherwise provided in this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

- (1) definitions;
- (2) declarations of estimated tax;
- (3) filing of returns;
- (4) remittances;
- (5) incorporation of the provisions of the Internal Revenue Code;
- (6) penalties and interest;
- (7) exclusion of military pay credits for withholding; and
- (8) exemptions and deductions;

apply to the imposition, collection, and administration of the tax imposed by this chapter.

(b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5 **(before its expiration January 1, 2022)**, and IC 6-3-5-1 do not apply to the tax imposed by this chapter.

(c) Notwithstanding subsections (a) and (b), each employer shall report to the department the amount of withholdings attributable to each county. This report shall be submitted to the department:

- (1) each time the employer remits to the department the tax that is withheld; and
- (2) annually along with the employer's annual withholding report.

SECTION 75. IC 6-3.5-9-4, AS ADDED BY P.L.173-2011, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. As used in this chapter, "new employee" has the meaning set forth in IC 6-3.1-13-6 **(before its expiration January 1, 2022)**, except that as applied to a project that is the subject of a hiring incentive agreement under this chapter, the phrase "tax credit agreement" in the definition of "new employee" under IC 6-3.1-13-6 **(before its expiration January 1, 2022)** is construed as a hiring incentive agreement under this chapter.



SECTION 76. IC 6-6-5-1, AS AMENDED BY P.L.259-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) As used in this chapter, "vehicle" means a vehicle subject to annual registration as a condition of its operation on the public highways pursuant to the motor vehicle registration laws of the state.

(b) As used in this chapter, "mobile home" means a nonself-propelled vehicle designed for occupancy as a dwelling or sleeping place.

(c) As used in this chapter, "bureau" means the bureau of motor vehicles.

(d) As used in this chapter, "license branch" means a branch office of the bureau authorized to register motor vehicles pursuant to the laws of the state.

(e) As used in this chapter, "owner" means the person in whose name the vehicle or trailer is registered (as defined in IC 9-13-2).

(f) As used in this chapter, "motor home" means a self-propelled vehicle having been designed and built as an integral part thereof having living and sleeping quarters, including that which is commonly referred to as a recreational vehicle.

(g) As used in this chapter, "last preceding annual excise tax liability" means either:

(1) the amount of excise tax liability to which the vehicle was subject on the owner's last preceding regular annual registration date; or

(2) the amount of excise tax liability to which a vehicle that was registered after the owner's last preceding annual registration date would have been subject if it had been registered on that date.

(h) As used in this chapter, "trailer" means a device having a gross vehicle weight equal to or less than three thousand (3,000) pounds that is pulled behind a vehicle and that is subject to annual registration as a condition of its operation on the public highways pursuant to the motor vehicle registration laws of the state. The term includes any utility, boat, or other two (2) wheeled trailer.

(i) This chapter does not apply to the following:

(1) Vehicles owned, or leased and operated, by the United States, the state, or political subdivisions of the state.

(2) Mobile homes and motor homes.

(3) Vehicles assessed under IC 6-1.1-8.

(4) Vehicles subject to registration as trucks under the motor vehicle registration laws of the state, except trucks having a declared gross weight not exceeding eleven thousand (11,000)



pounds, trailers, semitrailers, tractors, and buses.

(5) Vehicles owned, or leased and operated, by a postsecondary educational institution described in IC 6-3-3-5(d) **(before its expiration January 1, 2022)**.

(6) Vehicles owned, or leased and operated, by a volunteer fire department (as defined in IC 36-8-12-2).

(7) Vehicles owned, or leased and operated, by a volunteer emergency ambulance service that:

(A) meets the requirements of IC 16-31; and

(B) has only members that serve for no compensation or a nominal annual compensation of not more than three thousand five hundred dollars (\$3,500).

(8) Vehicles that are exempt from the payment of registration fees under IC 9-18-3-1.

(9) Farm wagons.

(10) Off-road vehicles (as defined in IC 14-8-2-185).

(11) Snowmobiles (as defined in IC 14-8-2-261).

SECTION 77. IC 6-6-5.1-1, AS ADDED BY P.L.131-2008, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. This chapter does not apply to the following:

(1) A vehicle subject to the motor vehicle excise tax under IC 6-6-5.

(2) A vehicle owned or leased and operated by the United States, the state, or a political subdivision of the state.

(3) A mobile home.

(4) A vehicle assessed under IC 6-1.1-8.

(5) A vehicle subject to the commercial vehicle excise tax under IC 6-6-5.5.

(6) A trailer subject to the annual excise tax imposed under IC 6-6-5-5.5.

(7) A bus (as defined in IC 9-13-2-17(a)).

(8) A vehicle owned or leased and operated by a postsecondary educational institution (as described in IC 6-3-3-5(d)) **(before its expiration January 1, 2022)**.

(9) A vehicle owned or leased and operated by a volunteer fire department (as defined in IC 36-8-12-2).

(10) A vehicle owned or leased and operated by a volunteer emergency ambulance service that:

(A) meets the requirements of IC 16-31; and

(B) has only members who serve for no compensation or a nominal annual compensation of not more than three thousand five hundred dollars (\$3,500).



(11) A vehicle that is exempt from the payment of registration fees under IC 9-18-3-1.

(12) A farm wagon.

(13) A recreational vehicle or truck camper in the inventory of recreational vehicles and truck campers held for sale by a manufacturer, distributor, or dealer in the course of business.

SECTION 78. IC 6-6-5.5-2, AS AMENDED BY P.L.2-2007, SECTION 127, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) Except as provided in subsection (b), this chapter applies to all commercial vehicles.

(b) This chapter does not apply to the following:

(1) Vehicles owned or leased and operated by the United States, the state, or political subdivisions of the state.

(2) Mobile homes and motor homes.

(3) Vehicles assessed under IC 6-1.1-8.

(4) Buses subject to apportioned registration under the International Registration Plan.

(5) Vehicles subject to taxation under IC 6-6-5.

(6) Vehicles owned or leased and operated by a postsecondary educational institution described in IC 6-3-3-5(d) **(before its expiration January 1, 2022)**.

(7) Vehicles owned or leased and operated by a volunteer fire department (as defined in IC 36-8-12-2).

(8) Vehicles owned or leased and operated by a volunteer emergency ambulance service that:

(A) meets the requirements of IC 16-31; and

(B) has only members that serve for no compensation or a nominal annual compensation of not more than three thousand five hundred dollars (\$3,500).

(9) Vehicles that are exempt from the payment of registration fees under IC 9-18-3-1.

(10) Farm wagons.

(11) A vehicle in the inventory of vehicles held for sale by a manufacturer, distributor, or dealer in the course of business.

SECTION 79. IC 8-24-17-14, AS ADDED BY P.L.182-2009(ss), SECTION 282, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. (a) Except as otherwise provided in this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

(1) definitions;

(2) declarations of estimated tax;

(3) filing of returns;

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- (4) remittances;
- (5) incorporation of the provisions of the Internal Revenue Code;
- (6) penalties and interest;
- (7) exclusion of military pay credits for withholding; and
- (8) exemptions and deductions;

apply to the imposition, collection, and administration of the improvement tax.

(b) IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5 (**before its expiration January 1, 2022**), and IC 6-3-5-1 do not apply to the improvement tax.

(c) Notwithstanding subsections (a) and (b), each employer shall report to the department the amount of withholdings of the improvement tax attributable to each county. This report shall be submitted to the department:

- (1) each time the employer remits to the department the tax that is withheld; and
- (2) annually along with the employer's annual withholding report.

SECTION 80. IC 12-8-12.5-2, AS ADDED BY P.L.110-2010, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. The secretary may apply to the United States Department of Health and Human Services for maximum reimbursement available to the state from the TANF emergency fund under Division B, Title II, Subtitle B of the federal American Recovery and Reinvestment Act of 2009 as follows:

- (1) Nonrecurrent short term benefits, including qualified state expenditures for the following:
 - (A) The earned income tax credit under IC 6-3.1-21 (**before its expiration January 1, 2022**).
 - (B) The domestic violence prevention and treatment fund under IC 5-2-6.7.
 - (C) Food bank allocations as supplemented by third party expenditures that qualify as the state's maintenance of effort under TANF (45 CFR 263.2(e)).
 - (D) Any other qualified state expenditure.
- (2) The HIRE program.

SECTION 81. IC 21-12-7-4, AS ADDED BY P.L.2-2007, SECTION 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. A contributor to the fund is entitled to an income tax credit under IC 6-3-3-5.1 (**before its expiration January 1, 2022**).

SECTION 82. IC 27-6-8-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) Member insurers, which during any preceding calendar year shall have paid one



(1) or more assessments levied pursuant to section 7 of this chapter, shall be allowed a credit against premium taxes, adjusted gross income taxes, or any combination thereof upon revenue or income of member insurers which may be imposed by the state, up to twenty percent (20%) of the assessment described in section 7 of this chapter for each calendar year following the year the assessment was paid until the aggregate of all assessments paid to the guaranty association shall have been offset by either credits against such taxes or refunds from the association. The provisions herein are applicable to all assessments levied after the passage of this article.

(b) To the extent a member insurer elects not to utilize the tax credits authorized by subsection (a), the member insurer may utilize the provisions of subsection (c) as a secondary method of recoupment.

(c) The rates and premiums charged for insurance policies to which this chapter applies shall include amounts sufficient to recoup a sum equal to the amounts paid to the association by the member insurer less any amounts returned to the member insurer by the association and the rates shall not be deemed excessive because they contain an amount reasonably calculated to recoup assessments paid by the member insurer.

(d) This section expires January 1, 2022.

SECTION 83. IC 27-8-8-16, AS AMENDED BY P.L.193-2006, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) A member insurer may take as a credit against premium taxes, adjusted gross income taxes, or any combination of them imposed by the state upon the member insurer's revenue or income not more than twenty percent (20%) of the amount of each assessment described in section 6 of this chapter for each calendar year following the year in which the assessment was paid until the assessment has been offset by either credits against the taxes or refunds from the association. If the member insurer ceases doing business, all uncredited assessments may be credited against the member insurer's premium taxes, adjusted gross income taxes, or a combination of the premium taxes and adjusted gross income taxes of the member insurer for the year the member insurer ceases doing business.

(b) This section expires January 1, 2022.

SECTION 84. IC 27-8-8-17, AS AMENDED BY P.L.193-2006, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) Sums acquired by refund under section 6(m) of this chapter from the association by member insurers and offset against taxes as provided by section 16 of this chapter **(before its**



expiration January 1, 2022) shall be paid by the member insurers to the state in the manner required by the tax authorities.

(b) The association shall notify the commissioner when refunds under section 6 of this chapter have been made.

SECTION 85. IC 27-8-10-2.3, AS AMENDED BY P.L.1-2006, SECTION 488, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.3. (a) A member shall, not later than October 31 of each year, certify an independently audited report to the:

- (1) association;
- (2) legislative council; and
- (3) department of insurance;

of the amount of tax credits taken against assessments by the member under section 2.1 (as in effect December 31, 2004) or 2.4 of this chapter (**before its expiration January 1, 2022**) during the previous calendar year. A report certified under this section to the legislative council must be in an electronic format under IC 5-14-6.

(b) A member shall, not later than October 31 of each year, certify an independently audited report to the association of the amount of assessments paid by the member against which a tax credit has not been taken under section 2.1 (as in effect December 31, 2004) or 2.4 of this chapter (**before its expiration January 1, 2022**) as of the date of the report.

SECTION 86. IC 27-8-10-2.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.4. (a) Beginning January 1, 2005, a member that, before January 1, 2005, has:

- (1) paid an assessment; and
- (2) not taken a credit against taxes;

under section 2.1 of this chapter (as in effect December 31, 2004) is not entitled to claim or carry forward the unused tax credit except as provided in this section.

(b) A member described in subsection (a) may, for each taxable year beginning after December 31, 2006, take a credit of not more than ten percent (10%) of the amount of the assessments paid before January 1, 2005, against which a tax credit has not been taken before January 1, 2005. A credit under this subsection may be taken against premium taxes, adjusted gross income taxes, or any combination of these, or similar taxes upon revenues or income of the member that may be imposed by the state, up to the amount of the taxes due for each taxable year.

(c) If the maximum amount of a tax credit determined under subsection (b) for a taxable year exceeds a member's liability for the



taxes described in subsection (b), the member may carry the unused portion of the tax credit forward to subsequent taxable years. Tax credits carried forward under this subsection are not subject to the ten percent (10%) limit set forth in subsection (b).

(d) The total amount of credits taken by a member under this section in all taxable years may not exceed the total amount of assessments paid by the member before January 1, 2005, minus the total amount of tax credits taken by the member under section 2.1 of this chapter (as in effect December 31, 2004) before January 1, 2005.

(e) This section expires January 1, 2022.

SECTION 87. IC 34-55-10-2, AS AMENDED BY P.L.160-2012, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) This section does not apply to judgments obtained before October 1, 1977.

(b) The amount of each exemption under subsection (c) applies until a rule is adopted by the department of financial institutions under section 2.5 of this chapter.

(c) The following property of a debtor domiciled in Indiana is exempt:

(1) Real estate or personal property constituting the personal or family residence of the debtor or a dependent of the debtor, or estates or rights in that real estate or personal property, of not more than fifteen thousand dollars (\$15,000). The exemption under this subdivision is individually available to joint debtors concerning property held by them as tenants by the entirety.

(2) Other real estate or tangible personal property of eight thousand dollars (\$8,000).

(3) Intangible personal property, including choses in action, deposit accounts, and cash (but excluding debts owing and income owing), of three hundred dollars (\$300).

(4) Professionally prescribed health aids for the debtor or a dependent of the debtor.

(5) Any interest that the debtor has in real estate held as a tenant by the entirety. The exemption under this subdivision does not apply to a debt for which the debtor and the debtor's spouse are jointly liable.

(6) An interest, whether vested or not, that the debtor has in a retirement plan or fund to the extent of:

(A) contributions, or portions of contributions, that were made to the retirement plan or fund by or on behalf of the debtor or the debtor's spouse:

(i) which were not subject to federal income taxation to the



- debtor at the time of the contribution; or
- (ii) which are made to an individual retirement account in the manner prescribed by Section 408A of the Internal Revenue Code of 1986;
- (B) earnings on contributions made under clause (A) that are not subject to federal income taxation at the time of the levy; and
- (C) roll-overs of contributions made under clause (A) that are not subject to federal income taxation at the time of the levy.
- (7) Money that is in a medical care savings account established under IC 6-8-11.
- (8) Money that is in a health savings account established under Section 223 of the Internal Revenue Code of 1986.
- (9) Any interest the debtor has in a qualified tuition program, as defined in Section 529(b) of the Internal Revenue Code of 1986, but only to the extent funds in the program are not attributable to:
- (A) excess contributions, as described in Section 529(b)(6) of the Internal Revenue Code of 1986, and earnings on the excess contributions;
- (B) contributions made by the debtor within one (1) year before the date of the levy or the date a bankruptcy petition is filed by or against the debtor, and earnings on the contributions; or
- (C) the excess over five thousand dollars (\$5,000) of aggregate contributions made by the debtor for all programs under this subdivision and education savings accounts under subdivision (10) having the same designated beneficiary:
- (i) not later than one (1) year before; and
- (ii) not earlier than two (2) years before;
- the date of the levy or the date a bankruptcy petition is filed by or against the debtor, and earnings on the aggregate contributions.
- (10) Any interest the debtor has in an education savings account, as defined in Section 530(b) of the Internal Revenue Code of 1986, but only to the extent funds in the account are not attributable to:
- (A) excess contributions, as described in Section 4973(e) of the Internal Revenue Code of 1986, and earnings on the excess contributions;
- (B) contributions made by the debtor within one (1) year before the date of the levy or the date a bankruptcy petition is filed by or against the debtor, and earnings on the



contributions; or

(C) the excess over five thousand dollars (\$5,000) of aggregate contributions made by the debtor for all accounts under this subdivision and qualified tuition programs under subdivision

(9) having the same designated beneficiary:

(i) not later than one (1) year before; and

(ii) not earlier than two (2) years before;

the date of the levy or the date a bankruptcy petition is filed by or against the debtor, and earnings on the excess contributions.

(11) The debtor's interest in a refund or a credit received or to be received under the following:

(A) Section 32 of the Internal Revenue Code of 1986 (the federal earned income tax credit).

(B) IC 6-3.1-21-6 (the Indiana earned income tax credit) **(before its expiration January 1, 2022).**

(12) A disability benefit awarded to a veteran for a service connected disability under 38 U.S.C. 1101 et seq. This subdivision does not apply to a service connected disability benefit that is subject to child and spousal support enforcement under 42 U.S.C. 659(h)(1)(A)(ii)(V).

(13) Compensation distributed from the supplemental state fair relief fund under IC 34-13-8 to an eligible person (as defined in IC 34-13-8-1) for an occurrence (as defined in IC 34-13-8-2). This subdivision applies even if a debtor is not domiciled in Indiana.

(d) A bankruptcy proceeding that results in the ownership by the bankruptcy estate of a debtor's interest in property held in a tenancy by the entireties does not result in a severance of the tenancy by the entireties.

(e) Real estate or personal property upon which a debtor has voluntarily granted a lien is not, to the extent of the balance due on the debt secured by the lien:

(1) subject to this chapter; or

(2) exempt from levy or sale on execution or any other final process from a court.

SECTION 88. IC 35-51-6-1, AS AMENDED BY P.L.13-2013, SECTION 146, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. The following statutes define crimes in IC 6:

IC 6-1.1-5.5-10 (Concerning sales disclosure forms).

IC 6-1.1-37-1 (Concerning officers of the state or local government).

IC 6-1.1-37-2 (Concerning officials or representatives of the



department of local government finance).

IC 6-1.1-37-3 (Concerning property tax returns, statements, or documents).

IC 6-1.1-37-4 (Concerning property tax deductions).

IC 6-1.1-37-5 (Concerning false statements on a report or application).

IC 6-1.1-37-6 (Concerning general assessments).

IC 6-2.3-5.5-12 (Concerning utility taxes).

IC 6-2.3-7-1 (Concerning taxes).

IC 6-2.3-7-2 (Concerning taxes).

IC 6-2.3-7-3 (Concerning taxes).

IC 6-2.3-7-4 (Concerning taxes).

IC 6-2.5-9-1 (Concerning taxes).

IC 6-2.5-9-2 (Concerning taxes).

IC 6-2.5-9-3 (Concerning taxes).

IC 6-2.5-9-6 (Concerning taxes).

IC 6-2.5-9-7 (Concerning retail sales).

IC 6-2.5-9-8 (Concerning taxes).

IC 6-3-3-9 (Concerning taxes) **(before its expiration January 1, 2022).**

IC 6-3-4-8 (Concerning taxes).

IC 6-3-6-10 (Concerning taxes).

IC 6-3-6-11 (Concerning taxes).

IC 6-3-7-5 (Concerning taxes).

IC 6-3.5-4-16 (Concerning taxes).

IC 6-4.1-12-12 (Concerning taxes).

IC 6-5.5-7-3 (Concerning taxes).

IC 6-5.5-7-4 (Concerning taxes).

IC 6-6-1.1-1307 (Concerning taxes).

IC 6-6-1.1-1308 (Concerning taxes).

IC 6-6-1.1-1309 (Concerning taxes).

IC 6-6-1.1-1310 (Concerning taxes).

IC 6-6-1.1-1311 (Concerning taxes).

IC 6-6-1.1-1312 (Concerning taxes).

IC 6-6-1.1-1313 (Concerning taxes).

IC 6-6-1.1-1316 (Concerning taxes).

IC 6-6-2.5-28 (Concerning taxes).

IC 6-6-2.5-40 (Concerning fuel).

IC 6-6-2.5-56.5 (Concerning fuel).

IC 6-6-2.5-62 (Concerning fuel).

IC 6-6-2.5-63 (Concerning taxes).

IC 6-6-2.5-71 (Concerning taxes).



IC 6-6-5-11 (Concerning taxes).
 IC 6-6-5.1-25 (Concerning taxes).
 IC 6-6-6-10 (Concerning taxes).
 IC 6-6-11-27 (Concerning taxes).
 IC 6-7-1-15 (Concerning tobacco taxes).
 IC 6-7-1-21 (Concerning tobacco taxes).
 IC 6-7-1-22 (Concerning tobacco taxes).
 IC 6-7-1-23 (Concerning tobacco taxes).
 IC 6-7-1-24 (Concerning tobacco taxes).
 IC 6-7-1-36 (Concerning tobacco taxes).
 IC 6-7-2-18 (Concerning tobacco taxes).
 IC 6-7-2-19 (Concerning tobacco taxes).
 IC 6-7-2-20 (Concerning tobacco taxes).
 IC 6-7-2-21 (Concerning tobacco taxes).
 IC 6-8-1-19 (Concerning petroleum severance taxes).
 IC 6-8-1-23 (Concerning petroleum severance taxes).
 IC 6-8-1-24 (Concerning petroleum severance taxes).
 IC 6-8.1-3-21.2 (Concerning taxes).
 IC 6-8.1-7-3 (Concerning taxes).
 IC 6-8.1-8-2 (Concerning taxes).
 IC 6-8.1-10-4 (Concerning taxes).
 IC 6-9-2-5 (Concerning innkeeper's taxes).
 IC 6-9-2.5-8 (Concerning innkeeper's taxes).
 IC 6-9-4-8 (Concerning innkeeper's taxes).
 IC 6-9-6-8 (Concerning innkeeper's taxes).
 IC 6-9-7-8 (Concerning innkeeper's taxes).
 IC 6-9-10-8 (Concerning innkeeper's taxes).
 IC 6-9-10.5-12 (Concerning innkeeper's taxes).
 IC 6-9-11-8 (Concerning innkeeper's taxes).
 IC 6-9-14-8 (Concerning innkeeper's taxes).
 IC 6-9-15-8 (Concerning innkeeper's taxes).
 IC 6-9-16-8 (Concerning innkeeper's taxes).
 IC 6-9-17-8 (Concerning innkeeper's taxes).
 IC 6-9-18-8 (Concerning innkeeper's taxes).
 IC 6-9-19-8 (Concerning innkeeper's taxes).
 IC 6-9-29-2 (Concerning innkeeper's taxes).
 IC 6-9-32-8 (Concerning innkeeper's taxes).
 IC 6-9-37-8 (Concerning innkeeper's taxes)".

Page 29, between lines 30 and 31, begin a new paragraph and insert:
 "SECTION 91. IC 36-7-12-27, AS AMENDED BY P.L.146-2008,
 SECTION 722, IS AMENDED TO READ AS FOLLOWS
 [EFFECTIVE JULY 1, 2014]: Sec. 27. (a) Bonds issued by a unit under

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section 25 of this chapter may be issued as serial bonds, term bonds, or a combination of both types. The ordinance of the fiscal body authorizing bonds, notes, or warrants, or the financing agreement or the trust indenture approved by the ordinance, must provide:

- (1) the manner of their execution, either by the manual or facsimile signatures of the executive of the unit and the clerk of the fiscal body;
- (2) their date;
- (3) their term or terms, which may not exceed forty (40) years, except as otherwise provided by subsection (e);
- (4) their maximum interest rate if fixed rates are used or the manner in which the interest rate will be determined if variable or adjustable rates are used;
- (5) their denominations;
- (6) their form, either coupon or registered;
- (7) their registration privileges;
- (8) the medium of their payment;
- (9) the place or places of their payment;
- (10) the terms of their redemption; and
- (11) any other provisions not inconsistent with this chapter.

(b) Bonds, notes, or warrants issued under section 25 of this chapter may be sold at public or private sale for the price or prices, in the manner, and at the time or times determined by the unit. The unit may advance all expenses, premiums, and commissions that it considers necessary or advantageous in connection with their issuance.

(c) The bonds, notes, or warrants and their authorization, issuance, sale, and delivery are not subject to any general statute concerning bonds, notes, or warrants of units.

(d) An action to contest the validity of bonds, notes, or warrants issued under section 25 of this chapter may not be commenced more than thirty (30) days after the adoption of the ordinance approving them under section 25 of this chapter.

(e) This subsection applies only to bonds, notes, or warrants issued under this chapter after June 30, 2008, that are wholly or partially payable from tax increment revenues derived from property taxes. The maximum term or repayment period for the bonds, notes, or warrants may not exceed:

- (1) twenty-five (25) years, unless the bonds, notes, or warrants were:
 - (A) issued or entered into before July 1, 2008;
 - (B) issued or entered into after June 30, 2008, but authorized by a resolution adopted before July 1, 2008; or



(C) issued or entered into after June 30, 2008, in order to fulfill the terms of agreements or pledges entered into before July 1, 2008, with the holders of the bonds, notes, warrants, or other contractual obligations by or with developers, lenders, or units, or otherwise prevent an impairment of the rights or remedies of the holders of the bonds, notes, warrants, or other contractual obligations; or

(2) thirty (30) years, if the bonds, notes, or warrants were issued after June 30, 2008, to finance:

(A) an integrated coal gasification powerplant (as defined by IC 6-3.1-29-6, **before its expiration January 1, 2022**);

(B) a part of an integrated coal gasification powerplant (as defined by IC 6-3.1-29-6, **before its expiration January 1, 2022**); or

(C) property used in the operation or maintenance of an integrated coal gasification powerplant (as defined by IC 6-3.1-29-6, **before its expiration January 1, 2022**);

that received a certificate of public convenience and necessity from the Indiana utility regulatory commission under IC 8-1-8.5 et seq. before July 1, 2008.

(f) The general assembly makes the following findings of fact with respect to an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6, **before its expiration January 1, 2022**) that received a certificate of public convenience and necessity from the Indiana utility regulatory commission under IC 8-1-8.5 et seq. before July 1, 2008:

(1) The health, safety, general welfare, and economic and energy security of the people of the state of Indiana require as a public purpose of the state the promotion of clean energy, including clean coal, technologies in Indiana.

(2) These technologies include the integrated coal gasification powerplant contemplated by this chapter, IC 6-1.1-20-1.1, and IC 36-7-14.

(3) Investment in the integrated coal gasification powerplant contemplated by this chapter, IC 6-1.1-20-1.1, and IC 36-7-14 will result in substantial financial and other benefits to the state and its political subdivisions and the people of Indiana, including increased employment, tax revenue, and use of Indiana coal.

(4) It is in the best interest of the state and its citizens to promote and preserve financial and other incentives for the integrated coal gasification powerplant.

SECTION 92. IC 36-7-13-3.4, AS AMENDED BY P.L.199-2005, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2014]: Sec. 3.4. (a) Except as provided in subsection (b), as used in this chapter, "income tax incremental amount" means the remainder of:

- (1) the aggregate amount of state and local income taxes paid by employees employed in a district with respect to wages earned for work in the district for a particular state fiscal year; minus
- (2) the sum of the:
 - (A) income tax base period amount; and
 - (B) tax credits awarded by the economic development for a growing economy board under IC 6-3.1-13 (**before its expiration January 1, 2022**) to businesses operating in a district as the result of wages earned for work in the district for the state fiscal year;

as determined by the department of state revenue under section 14 of this chapter.

(b) For purposes of a district designated under section 12.1 of this chapter, "income tax incremental amount" means seventy-five percent (75%) of the amount described in subsection (a).

SECTION 93. IC 36-7-14-25.1, AS AMENDED BY P.L.203-2011, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 25.1. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 27 of this chapter, the taxes allocated under section 39 of this chapter, or other revenues of the district, or any combination of these sources, the redevelopment commission may, by resolution and subject to subsection (p), issue the bonds of the special taxing district in the name of the unit. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

- (1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;
- (2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;
- (3) capitalized interest permitted by this chapter and a debt service reserve for the bonds to the extent the redevelopment commission determines that a reserve is reasonably required; and
- (4) expenses that the redevelopment commission is required or permitted to pay under IC 8-23-17.

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(b) If the redevelopment commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable, subject to the requirements of the bond resolution for registering the bonds. The resolution authorizing the bonds must state:

- (1) the denominations of the bonds;
- (2) the place or places at which the bonds are payable; and
- (3) the term of the bonds, which may not exceed:
 - (A) fifty (50) years, for bonds issued before July 1, 2008;
 - (B) thirty (30) years, for bonds issued after June 30, 2008, to finance:
 - (i) an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6, **before its expiration January 1, 2022**);
 - (ii) a part of an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6, **before its expiration January 1, 2022**); or
 - (iii) property used in the operation or maintenance of an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6, **before its expiration January 1, 2022**); that received a certificate of public convenience and necessity from the Indiana utility regulatory commission under IC 8-1-8.5 et seq. before July 1, 2008; or
 - (C) twenty-five (25) years, for bonds issued after June 30, 2008, that are not described in clause (B).

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the redevelopment commission.

(d) The redevelopment commission shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds, subject to subsection (p). The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds must be executed by the appropriate officer of the unit and attested by the municipal or county fiscal officer.

(f) The bonds are exempt from taxation for all purposes.

(g) The municipal or county fiscal officer shall give notice of the sale of the bonds by publication in accordance with IC 5-3-1. The municipal fiscal officer, or county fiscal officer or executive, shall sell the bonds to the highest bidder, but may not sell them for less than



ninety-seven percent (97%) of their par value. However, bonds payable solely or in part from tax proceeds allocated under section 39(b)(3) of this chapter, or other revenues of the district may be sold at a private negotiated sale.

(h) Except as provided in subsection (i), a redevelopment commission may not issue the bonds when the total issue, including bonds already issued and to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the special taxing district, as determined under IC 36-1-15.

(i) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the redevelopment commission:

- (1) from a special tax levied upon all of the property in the taxing district, as provided by section 27 of this chapter;
- (2) from the tax proceeds allocated under section 39(b)(3) of this chapter;
- (3) from other revenues available to the redevelopment commission; or
- (4) from a combination of the methods stated in subdivisions (1) through (3).

If the bonds are payable solely from the tax proceeds allocated under section 39(b)(3) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(j) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(k) All laws relating to the giving of notice of the issuance of bonds, the giving of notice of a hearing on the appropriation of the proceeds of the bonds, the right of taxpayers to appear and be heard on the proposed appropriation, and the approval of the appropriation by the department of local government finance apply to all bonds issued under this chapter that are payable from the special benefits tax levied pursuant to section 27 of this chapter or from taxes allocated under section 39 of this chapter.

(l) All laws relating to:

- (1) the filing of petitions requesting the issuance of bonds; and
- (2) the right of:
 - (A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or
 - (B) voters to vote on the issuance of bonds in the case of a



proposed bond issue described by IC 6-1.1-20-3.5(a); apply to bonds issued under this chapter except for bonds payable solely from tax proceeds allocated under section 39(b)(3) of this chapter, other revenues of the redevelopment commission, or any combination of these sources.

(m) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(n) Any amount remaining in the debt service reserve after all of the bonds of the issue for which the debt service reserve was established have matured shall be:

- (1) deposited in the allocation fund established under section 39(b)(3) of this chapter; and
- (2) to the extent permitted by law, transferred to the county or municipality that established the department of redevelopment for use in reducing the county's or municipality's property tax levies for debt service.

(o) If bonds are issued under this chapter that are payable solely or in part from revenues to the redevelopment commission from a project or projects, the redevelopment commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the redevelopment commission. The redevelopment commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the redevelopment commission that are payable solely from revenues of the commission shall contain a statement to that effect in the form of bond.

(p) If the total principal amount of bonds authorized by a resolution of the redevelopment commission adopted before July 1, 2008, is equal to or greater than three million dollars (\$3,000,000), the bonds may not be issued without the approval, by resolution, of the legislative body of the unit. Bonds authorized in any principal amount by a resolution of the redevelopment commission adopted after June 30, 2008, may not be issued without the approval of the legislative body of the unit.

SECTION 94. IC 36-7-32-8.5, AS ADDED BY P.L.199-2005,

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SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8.5. As used in this chapter, "income tax incremental amount" means the remainder of:

(1) the total amount of state adjusted gross income taxes, county adjusted gross income tax, county option income taxes, and county economic development income taxes paid by employees employed in the territory comprising the certified technology park with respect to wages and salary earned for work in the territory comprising the certified technology park for a particular state fiscal year; minus

(2) the sum of the:

(A) income tax base period amount; and

(B) tax credits awarded by the economic development for a growing economy board under IC 6-3.1-13 (**before its expiration January 1, 2022**) to businesses operating in a certified technology park as the result of wages earned for work in the certified technology park for the state fiscal year;

as determined by the department of state revenue."

Renumber all SECTIONS consecutively.

(Reference is to EHB 1266 as printed February 26, 2014.)

HERSHMAN

SENATE MOTION

Madam President: I move that Engrossed House Bill 1266 be amended to read as follows:

Page 26, between lines 20 and 21, begin a new line block indented and insert:

"(3) The town of Lewisville in Henry County.

(4) The town of Mooreland in Henry County."

(Reference is to EHB 1266 as printed February 26, 2014.)

LEISING



SENATE MOTION

Madam President: I move that Engrossed House Bill 1266 be amended to read as follows:

Page 26, line 1, delete "an adopted" and insert "**a**".

Page 26, line 3, delete "adopted" and insert "**certified**".

(Reference is to EHB 1266 as printed February 26, 2014.)

KENLEY

